THE NEW ORDER STUDIES IN UNIONIST POLICY

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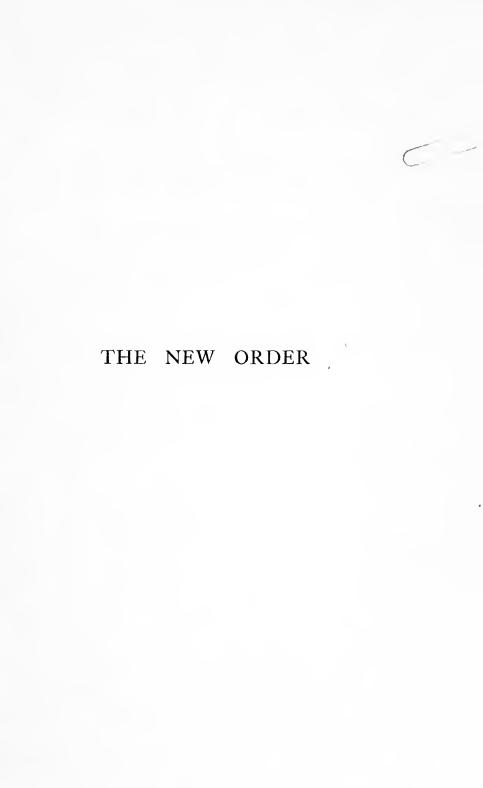
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THE

New Order

Studies in Unionist Policy

EDITED BY

LORD MALMESBURY

The old order changeth, yielding place to new, And God fulfils himself in many ways, Lest one good custom should corrupt the world.

TENNYSON.

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UNIONIST PHILOSOPHY

AN INTRODUCTORY ESSAY

BY

THE EARL OF MALMESBURY



UNIONIST PHILOSOPHY

THE familiar words of King Arthur's parting injunction to Bedevere, standing on the title-page of this volume, contain a truth which must always sound less stern in the ears of the younger portion of each generation than in those of veteran knights prone to cherish overmuch the memory of the glories of the Round Table. however difficult it may be for the more Conservative cast of mind to accept it, the necessity for new institutions and new movements in harmony with the changing spirit of the times has never been more imperative than at present; and just in proportion as the Unionist Party proves itself capable of this adjustment will be its power of continued usefulness to the Country. The chief need of both the old historic parties in England at the present moment is a logical and intelligible system of political philosophy, in the absence of which practical politics must necessarily drift hither and thither among the shallows of opportunism. In politics, as in every other science if it is to escape being nakedly empirical, practice must be grounded on theory; in other words principle must be the guide of conduct. Liberalism, which throughout the nineteenth century took its stand on the political philosophy of Bentham and his disciples, has now so largely departed in practice from the principle of laissez faire (which was the cardinal doctrine in the teaching of the Utilitarians) while clinging to it tenaciously in the single, though important, department of foreign trade, that that party can no longer be said to be led by even the semblance of principle. Is the Unionist party in better case? To this

question it may fairly be replied that the Unionists are at all events less buffeted by every wind of doctrine than their opponents. Their policy, not only in the field of foreign affairs, of India, and of the Colonies, but as regards the government c. Ireland, trade, taxation, and national defence, is rooted in the principle of a reasonable and enlightened Imperialism. It cannot, however, be denied that the need for a more systematic and positive political theory is much felt by the party. Unionism would hardly gain more even by the longedfor return of Mr. Chamberlain to the fighting line, or by the advent of a Pitt or a Disraeli to its front bench, than it would if some philosophical writer of genius were forthcoming to lay the permanent foundations of its twentieth century policy. But, as Carlyle long ago pointed out, contrary to a common belief the occasion does not always produce the man; and the Unionists appear at present to have no better prospect than their opponents of finding a contemporary Hobbes or Burke to provide them with a political philosophy.

It need hardly be said that the present volume makes no pretension to satisfy this want, in however small a degree. The writers do not imagine themselves to be philosophers; they are merely working members of the rank and file of a political party, which they desire to They propound no logical theory; even in regard to practical policy their views are not always identical in matters of detail, and no one of them is in any degree responsible for opinions here expressed by others, though they approach the consideration of public affairs from a standpoint of substantial agreement. The following Essays must therefore necessarily appear somewhat disjointed. They do not aim putting forward an "unauthorized programme," indeed a programme of any sort. All that can be claimed for them is an attempt to discuss a number of questions of immediate public interest in a spirit consistent with Unionist traditions, and at the same time without hostility to reasonable innovation.

The study of politics, when taken with the teachings of history, must be kept quite distinct from any allegiance to the doctrines of a particular political party at a particular moment. The blunders of statesmen have been often due to the fact that in formulating programmes they have either under-rated or over-rated the trend of public opinion, and by being bound to worn-out theories, or swayed by the irrational proposals of a revolutionary caucus, they have allowed themselves to be wrecked at their moorings or swept away in the storm of an unprincipled propaganda.

The beginning of the present century is marked by two predominant ideas in English politics, ideas contradictory in their first essentials. The two important forces at work in the domain of political thought to-day are (a) The growth of Collectivist legislation, and (b) a complete revolution in the theory of international trade.

There have been periods in English history when decade after decade has passed without any apparent growth or outward expression of public opinion upon the all-important topic of governance, and yet it would seem from the lessons of the past that during this period of quiescence the nation had been slowly but surely making up its mind as to how its affairs could best be administered.

The reign of Queen Victoria covers a time when the principles which divide the two great parties contending for power in this country made their most rapid growth. To-day this Empire is governed by men who, although bound hand and foot to those who advocate the theory of Collectivism in its most rigid form, nevertheless ignore what ought to be the most important part of this creed, namely, the right of the nation collectively to

make its own terms in trade-bargaining with other countries and with distant parts of the Empire upon a proper commercial basis.*

The problems which nowadays present themselves for solution in the minds of British statesmen are many and various. They range from the very destroying of the British Constitution itself down to the granting of votes to women. The difference between Radicalism and a Progressive Unionism is as distinct as the latter is from the old Toryism of a few years ago. The aim of Progressive Unionism is neither to re-create the Constitution nor to revolutionise existing conditions, but, while consistently maintaining its principles, so to re-adjust itself from time to time as may best correspond with the real demands and needs of the people. The policy of the Government, which came into office in the year 1905, has been what may be rightly termed a policy of sops or doles. In this particular weakness, however, it cannot be said to be singular; the same description applies to other governments, even to those of a different political complexion.

Problems connected with the Constitution and the Land, with the Navy and Army, with Education, and many other important subjects, have thrust themselves with an ever-increasing urgency into the field of political deliberation, and in the following pages a real endeavour has been made to suggest a policy in each of these departments which, while possessing all the elements of

^{*} At the time when the repeal of the corn laws gave in the sphere of commerce what seemed to be a crowning victory to individualism, and when the prosperity following on free trade stimulated to the utmost in almost every department of life the faith in and the practice of laissez faire, the success of the Factory Acts gave authority, not only in the world of labour, but in many other spheres of life, to beliefs which, if not exactly Socialistic, yet certainly tended towards Socialism or Collectivism. Dicey: Law and Public Opinion in England, 1905, p. 239.

stability, contains also the elements of progress and reform. Questions which have agitated the minds of political thinkers of all ages are still with us to-day. The new century in England will have to witness some adjustment in the differences which have split up both the Unionist and Radical parties into a dozen or more sections. Organisms are subject to malignant growths, to the evil effects of bacilli, and to the influences of germs. From this rule the political organism is not exempt. We have in our midst a growth which has sprung into a poisonous weed of huge proportions. The trouble in our house to-day is the dry-rot of Socialism. This question has been so ably dealt with by Mr. Ronald McNeill in his Essay upon that subject in this volume that it is unnecessary to dwell upon it in detail here. Its evils are found in almost every direction. It is at work to undermine the Constitution, it is rampant in the sphere of legislation affecting capital and land, it is destroying our national defences and warping the strength of the nation by its insidious and seductive teachings. It may be found difficult, and probably will, to draw a line of demarcation between a policy of laissez faire and the exercise of an unjust, arbitrary, and unreasonable State intervention. The task, therefore, which Progressive Unionists have to face is no light one.

The first and principal point of attack against which Radical leaders endeavour to concentrate their forces is, as it has been in the past, the Constitution: that Constitution of which Englishmen have been so justly proud and which foreign nations have attempted to imitate; a Constitution which has not come into existence by the stroke of a pen, but which has developed by an even and continuous process according as national development and national life required. Are we, then, going to be persuaded hastily, and without a thought, to throw it

away and substitute for it a Constitution which shall be a Constitution in name only, while in reality it will be nothing more or less than a despotism, in the form of a Socialistic single chamber? When men talk of an attack upon the Constitution, they usually have in their minds only that part of the legislature which is derisively termed by Radical speakers the "Hereditary Chamber," quite forgetting that in the general assault upon the House of Lords the whole constitution of the Empire is assailed. The question of the House of Lords is fairly and impartially dealt with elsewhere in these pages by Lord Winterton. Its unpopularity with the Radical Party is not so much in reality due to its hereditary character as because it bars the way of so-called Reformers in their attack upon individual liberty. It is unnecessary to dwell further upon the present Upper House of Parliament. Suggestions of reform have come from those who wish it well. Unionists. however, will have to be very careful in their dealings with any part of the Constitution, and they would serve their country very much better in attempting to carry out reforms by means of the machinery already at their disposal than in pledging themselves to any proposals of Constitutional reform, which would not unlikely be a failure.

Aristotle, Hobbes, Locke, Rousseau, Montesquieu, and Maine, with a host of other great political scientists, have all discussed the various forms by which the best interests of a State can be secured. The experience of English politicians to-day would tend to show that the interests of this country can best be safeguarded through the medium of a powerful and intelligent middle-class, opposed on the one hand to disruptive measures and on the other willing to undertake the full duties of citizenship. The first of these duties is to understand clearly the issues which are at stake during the time of a

General Election; and it is well worth mentioning that those who are anxious to see the House of Lords abolished (they have no wish to see it reformed) are forgetful of the fact that there is some very serious need for reform within the House of Commons. Ireland to-day sends an undue proportion of representatives to Westminster, and thus by means of overthat part of the United Kingdom representation exercises an unfair control over Imperial affairs. The position of the House of Lords, therefore, is, briefly, this: an agitation has been raised the result of which the public knows already. Progressive Unionists must, however, be prepared to accept any undoubtedly popular demand for constitutional reform, so may be consistent with their principles; but before allowing themselves to be led into any expression of opinion upon such a course, they must have a clear and decided verdict—a national verdict—which never properly be given until a Redistribution Bill has removed the anomalies of our present electoral system.

Home Rule, or a scheme of devolution—let Separatists call it what they will—marks another assault upon the constitutional edifice; but Home Rulers, or Devolutionists, have met with a severe rebuff in a quarter where it was least expected, and the hostile attitude of the House of Lords towards this measure in the past has been more than fully justified. The Essay on Ireland, from the pen of Mr. O'Neill, fully demonstrates how little Englishmen know of Ireland, and how little Irish people themselves often understand their true interests.

In order that the Unionist Party may be able effectively to discharge its duties to the Empire, it is important that there should be some clear understanding as to the obligations which a State owes to its citizens,

and likewise of those which its citizens in return owe to the State.

Collectivism is founded upon arguments which have never borne close or practical examination. It acknowledges the obligations of the State, but insufficiently realises the reciprocal obligations of the citizen. There are, however, some advantages to be gained in the application of collectivist ideas to certain functions of the State. It is the duty of the State, for instance, to give an education to those of its citizens who are unable to provide it for themselves. This responsibility has been fully recognised by all the more important countries of the world,* and one the chief difficulties which the Unionist Party will have to encounter when the time comes is that of an educational programme politically moral, logically sound, and justly impartial. The problem is one of the greatest difficulty. For it is the duty of the State on the one hand to provide secular education for all alike, in State schools, under State teachers, and paid for out of public funds; and on the other to give effect to the unquestionable right of the citizen to have his child taught the religious tenets of his own denomination, whether Catholic, Protestant, or Jewish, in schools the "atmosphere" of which shall not be inimical to his faith; and it is the further duty of the State to abstain from interference with the private ownership of schools belonging to the Church or others. The solution at which Unionists should aim is probably to be found in a scheme under which the cost of education would be transferred from the local rates to the Imperial Exchequer, no religious tests would be permitted in the

^{*} Mr. McCulloch, writing to Lord Ashley as far back as 1833, speaking of Education in Germany says:—"In Prussia, and most other German States, all persons are obliged to send their children to school from the age of seven to thirteen or fourteen years." DICEY: Law and Public Opinion in England, 1905. p. 222.

appointment of teachers in any tax-aided school, and the fullest facilities would be given to every religious denomination represented among the children to send its own teachers to give religious instruction at specified times to those who desire it.

Space precludes more than a passing reference to such wide subjects as Land, Labour, and Capital; they receive their proper attention at the hands of those who are entitled to speak with knowledge on these matters in the pages of this book.

The relations of the State to the Land and of Capital to Labour are the source of much polemical discussion and fertile argument, both in and out of Parliament. Radical statesmen, either from ignorance based upon a false sense of humanitarianism or from a pusillanimous dread of the Socialistic force which wags the tail of His Majesty's present Government, have, by the passing of the Small Holdings and Allotments Act, entered upon a crusade against harmless occupiers of the soil. lesse Collings, in his now well-known work,* has pointed out that only by giving facilities to existing tenants or others to purchase the freehold can the rural exodus be checked without serious financial loss to the community. In this pronouncement he has laid down a great fundamental principle in regard to the dealings of the State Such a scheme as his recognises the right of private ownership; it guarantees the purchase-money to the vendor, and facilitates the acquisition of land by a multitude of good men, whose only fault is that they lack the necessary capital for the outlay. The difficulties of our present system of land-tenure are lucidly set forth by Mr. G. L. Courthope in his Essay upon Land, and it only remains to say here that to facilitate

^{*} Land Reform, by the Right Hon. Jesse Collings, M.P. (Longmans, 1906).

the transfer of land upon equitable terms is a duty from which the State must not shrink.

In the complex relationship between Capital and Labour we have another example of the rising spirit of Collectivism, which day by day is becoming a deadly menace to the welfare and prosperity of the nation. British capital (the goose that lays the golden egg), subjected to the unfair conditions of trade inaugurated by Richard Cobden and attacked by extreme legislative enactments purporting to be in the interests of Labour, is fast being driven from our shores to find more profitable and more secure investment elsewhere. Are we British people, then, blind to the precipice which lies close to our feet, or are we too proud to remodel ourselves upon the lines adopted by so great a country as Germany? The question for Englishmen to decide now is whether Cobdenism or Chamberlainism shall prevail.

Some of the more important obligations of the State to its citizens have been briefly touched upon, but this Summary would be incomplete if no attempt were made to define, at least, the greatest obligation which all citizens owe to the State under whose protection they enjoy the rights and privileges of citizenship. To serve in her defence is the first and foremost obligation of all citizens to their parent State. How do Britons discharge this duty? The very thought of conscription is abhorrent to the average British mind, and yet it is the system by which the great armies of the Continent are maintained. We have had, during the last few years, a whole series of schemes (they cannot be called reforms) for the improvement and strengthening of our national army. They have been known by the names of their makers. Mr. Brodrick (now Lord Midleton), Mr. Arnold-Forster, and, lastly, Mr. Haldane, have all in their turn endeavoured to leave some mark of their energies at the War Office, but well as they may have tried, no

finality in this direction will ever be reached, nor any satisfactory result obtained, until the British people themselves realise that it is the duty of every able-bodied man to undergo military training in order that he may be able to defend the Motherland in the hour of peril. The plea for universal military training is becoming stronger every day. Our army is a small one. It is more expensive *per capita* than those of foreign powers. We cannot afford to go on increasing our national expenditure year by year at the rate we are doing. Socialism—narcotic-like—has drugged the spirit of patriotism into a forced slumber, and it is the duty of Progressive Unionists to rouse this spirit before it is too late.

The necessity for a supreme navy and a strong army is pleaded for in the pages that follow. Britons at home, as well as those who dwell in the King's dominions beyond the seas, must be prepared to take up the burden of universal training. Why should it shame them to do so? Such a system will be the best guarantee to us for ever of that supreme navy and strong army of which we stand so much in need. It would, it is hoped, also revive the disappearing manliness of our race. It would discipline the youth of this country at that period of their lives when discipline is badly wanted; it would, in short, create a national efficiency which alone can make us keep our proper place among the nations of the world.

Of late years the English press, which has such a far-reaching influence over the mind of the nation, has regarded with considerable apprehension the growing might of Germany. Englishmen suspect Germany because they daily witness her rapid strides as a united empire under a far-seeing and great ruler. They cast a jealous eye upon her fast-increasing armaments and envy the commercial advantages which she enjoys under

favourable economic conditions; but yet they move neither hand nor foot to emulate* her progress by the same means and by similar methods.

It is the duty, then, of Progressive Unionists to see that in the future their statesmen shall be able to say, in the words of the German Chancellor, Prince Bülow, who like his Imperial master is endowed with all the instincts of a patriot:—

"We are masters in our own house, and will do what we consider necessary in the economic development of Germany [the British Empire]. We desire to live on the best terms—political and commercial—with all foreign Powers, but we are not going to be intimidated by foreign censure, foreign attacks, or foreign menaces."†

MALMESBURY.

^{*} The natural advantages which England possesses are very much greater than those which Germany enjoys.

† Speech of Prince Bülow in the Reichstag, Dec., 3, 1901.

THE CONSTITUTION, 1907

BY

VISCOUNT MORPETH, M.P.



THE CONSTITUTION, 1907

THE British Constitution was, and still is, the glory and pride of the Briton. Paley, more famous for works on a different subject, praised it for its judicious blending of the interests of monarchic, aristocratic, and democratic elements. The furious author of the letters of Junius wished to leave it alone; if you cut out the corrupt what have you left? a tribute, though somewhat of a backhanded one. Burke writes: "Great critics have taught us one essential rule. It is this: That if ever we should find ourselves disposed not to admire those writers or artists, Livy or Virgil, for instance, Raphael or Michael Angelo, whom all the learned had admired, not to follow our own fancies, but to study them until we know how and what we ought to admire; and if we cannot arrive at this combination of admiration and knowledge, rather to believe that we are dull than that the rest of the world has been imposed on. It is as good a rule, at least, with regard to this admired Constitution. We ought to understand it according to our measure; and to venerate when we are not able presently to comprehend." The greatest political writer of England agrees with Montesquieu, the greatest political writer of France, in regarding the English Constitution as the masterpiece of politics. Yet this was before the Reform Bill.

The Whigs, after their long exile was over, when they had returned to power and had passed the Reform Bill, were equally ecstatic admirers of a Constitution which they regarded as the almost perfect pattern for all nations. This feeling, indeed, was almost universal; Englishmen thought of their Constitution as the chief

characteristic that marked them as superior to the rest of humankind, essentially English because only workable by English common-sense and English knowledge of practical affairs. Even its imperfections were a source of pride, as a proof of the way Englishmen were able to work a system in spite of admitted shortcomings. This complacent view found its most brilliant exposition in the panegyric of Bagehot, who described it as a system convenient, flexible, popular in its essence, yet marked by a façade of monarchy and ceremony, the internal or useful parts of the building a democracy tempered by aristocracy, the whole controlled and managed by a comfortable and enlightened middle class. The gibes of Carlyle fell unheeded, as merely a pleasant irritant.

Indeed, there was much sound reason for the selfsatisfaction of our ancestors. The American Colonies, when they had broken away from the Mother Country, paid her the compliment of attempting to copy her parliamentary institutions as nearly as possible. Europe, starting on the path of parliamentaryism, modelled her Parliaments on the English original. It is true that the French Revolutionists had rejected it as too aristocratic, but after having tried the dubious freedom represented by Jacobinism, Napoleonic despotism, and Bourbon restoration, French Liberalism also betook itself to parliamentaryism on the English model. It has spread everywhere. Russia longs for it, Turkey has tried it, Japan has succeeded in a somewhat distant copy, even Persia plays with it. Everywhere it became the accepted creed, the only form of government to which civilised and reasonable men could rightly consent as consistent with liberty and human dignity. accepted creed it became so powerful that those few who criticised were set down as either Revolutionists or Reactionaries, whose opposition was only one more proof of the excellence of the system.

Unfortunately, the difficulties of government are not so easily solved. Parliamentaryism is no longer an idol. The first flush of newness and pleasure is over. Those who struggled for it and thought all was achieved have found out that government is only a means to an end, which they had forgotten. To establish Parliaments does not solve all difficulties: the struggle of politics goes on just the same: fresh demands from new classes coming into political power: new difficulties to solve, with only the same human material: above all, even the ordinary dull routine of administration to be carried on, for parliamentaryism does not apparently face even this every-day task in so superior a fashion as to be above Further off, other dangers appear to be criticism. guarded against. Log-rolling instead of favouritism and nepotism, corruption of masses instead of a few. the manipulation of electorates and classes instead of court cliques and ministerial groups. Some of the copyists have made shipwreck; the history of South America is a lurid account of coups d'état, murdered presidents, and civil wars. A bad government that is stable may be tolerated, for mankind adjusts itself to known inconveniences. South American government has often been not bad government but Anarchy. The North Americans, who, having copied us, pride themselves on carrying democratic institutions to their furthest development, have achieved a government more corrupt than what was charged against the administration of Walpole. The cynosure of longing democratic eyes, they are fast becoming the example to be shunned. The English, however, are not accustomed to look very far afield, nor do they pay much attention to the experience of others; they go on their own constitutional way uninfluenced and unheedful. In all the history of their constitutional development it is on English lines that they have moved; they have expected others to copy

them, they have never thought of copying others. It is not, therefore, the comparative or absolute failure of parliamentaryism elsewhere that has had effect here, but even in England, where criticism was almost the sign of eccentricity, there are the beginnings of a growing tendency to find fault with the system, an increasing impatience, even sometimes the signs of contempt. The idol no longer commands unquestioning loyalty and submission.

It is frequently said that Parliament no longer interests the nation as it did. The newspapers, if they are a true criterion of what the public likes and wants, show it by shortened reports, in many cases by practically no reports at all. Even in those papers where space is given, the descriptive reporter does not report debates or arguments, for his account is only another form of the gossip that fills so many other columns of the paper. Those who resent or regret this alteration attribute the fault to the individuals or parties to which they are opposed. But the change goes far deeper than this; it is not the influence, or want of influence, of any one man, it is not the opinions of any party: it is a change in the nation. A change from glowing self-satisfaction in the instrument it had fashioned to a doubting disillusionment. A change from optimism to pessimism.

It is easy enough to see how this change has come about. In the main, it is impatience that the State has not done more. In the days when people did not expect the State to do much, this did not matter; now that the State is expected to do everything, and it is glaringly obvious how much remains undone, there is natural dissatisfaction. It is the irony of the situation that Parliaments, which live from hand to mouth, ever mindful not only of the dissolution, of a general election, but even of the transient significance of a single bye-election, are not fitted to fulfil these expectations. They take the

shortest of short views, nor do they readily act unless they are goaded to it by some insistent demand, the reason being not that they are out of touch with public opinion, but that they are only too faithful a reflex of it. It is then that an illogical and inconsistent public turns upon them, thinking, if not saying: Why do you not do more? Why do you not lead instead of following? Why not look far ahead and make me go the way I ought to go, which I cannot distinguish for myself? Yet when Parliament does any such thing it is usually summarily dismissed. Parliament is no longer the subject of such interest as it was, because it has abdicated the role of hero and guide for that of the man in the street, and the man in the street, though he may be dissatisfied and demand reform, in the general refuses it when presented in its concrete and particular form unless pushed to it by some very strong emotion or else by some powerful personality. Yet he revenges himself on those who lack this compelling personality, that is, the average of legislators, by contempt and indifference. Parliaments elected on a democratic franchise, that is, really dependent on public opinion, are in this dilemma, that they dare not go in front of public opinion on pain of dismissal, yet they dare not lag behind it.

This dilemma makes a very difficult situation for the zealous reformer, who, whatever his reform, is apt to be in a minority. The reformer is not only dissatisfied in general—he wants some definite change. The Tariff Reformer wants to alter our fiscal system: the army reformer wants universal service: the Home Ruler wants a Parliament in Dublin: the land reformer wants land nationalisation: the fiscal reformer wants more direct taxation and heavily graduated income-tax and death duties; the social reformer wants old age pensions and housing schemes: the Socialist wants nationalisation of all the means of production and distribution, starting with

the free maintenance of all school children: the Labour member wants State employment for all unemployed, with a State guarantee that wages shall be forthcoming.

How do these reforms, conflicting in all except the fact that they are definite changes, fare at the hands of Parliament? Tariff reform is paralysed for two years in Parliament and in a general election, not so much by those who think it wrong in principle as by those who hesitate, and even oppose, for fear that the country is not ready. A party, like a man, must stake its life on its opinions, if it has any. Let it faithfully state them to the electorate, its master, leaving him to judge. Otherwise it is like the useless servant, servilely agreeing, or the courtier prophesying smooth things and preparing disaster.

In the same spirit any real army reform is shirked for fear the country might not approve or be unwilling to face the burden. Every sort of scheme is tried except the only cure. The necessity and the duty of self-defence are dwelt on in speeches, but the duty must not be embodied in an Act of Parliament for fear that those who put it there might render themselves unpopular. All politicians are apt to acquire the feeling that they are so useful, either in a large or small sphere, that it is their duty not, on any account, to make themselves unpopular for fear their services might be lost.

The Home Ruler, who sincerely believes not only that the claims of Nationalism as well as the good government of the United Kingdom as a whole can only be met by the creation of an Irish Parliament in Dublin, sees not Home Rule, but an Irish Council Bill introduced and rejected with passion by those whom it was thought to please. He sees a party, the great majority of whom profess to believe that Home Rule is both justice to Ireland and expedient, bring in a mere apology for such a Bill, not because they do not believe in Home

Rule, but because they imagine that the English and Scotch electorates are not ripe for it. Can it be supposed that such a spectacle heightens the honour in which Parliament and its members are held by those outside the circles of stanch partisans? So it is with other reformers. The land nationalisers get the English and Scotch Small Holdings Bills tinged with State ownership, but sadly inadequate as satisfaction to the ardent nationaliser. The direct taxer gets 3d. in the pound off earned incomes of a certain size. He hardly takes the trouble to thank the Chancellor for so meagre a gift. Old age pensions, after many years, still await the means of being carried out. The Labour Party, it is significant, get the Trade Disputes Bill because it is a definite piece of class legislation, defended on class grounds, on which they have been able to bring an organised pressure to bear on Parliament. The maintenance for all school children and State employment they have not obtained, or only in such a partial form that they regard them as worthless. The avowed Socialist is not yet in a position to do much in Parliament, but he is preparing for it by winning elections, and his day may come.

The reformer, of whatever party, cannot claim any great achievements or any very notable triumph. Parliament has acted under definite pressure for some special object, generally the removal of some real or fancied In the wider field of constructive work, grievance. whether imperial or social, it has done little, and this is the great reason why it lacks consideration. Constantly busy, the result of so much fussiness and apparently strenuous exertion is often of the smallest size.

It is significant that the time of Parliament's greatest glory and highest efficiency, to judge by the quality and amount of legislation, was the period when it was dominated by the middle classes, after the Reform Bill.

That is the period described and praised by Bagehot. Before then Parliament went its way, only partially and occasionally touched by the general public opinion, but really dominated by the Whig and Tory governing This the great industrial and commercial classes naturally resented and altered. It was the work of Liberalism; a work now finished, for those who altered the political balance of power in the first and second Reform Bills are now satisfied. But though their demand has been satisfied, a new demand makes itself felt, slowly at first, but with steadily increasing insistence. This new element in British politics is the Labour and Socialist Party, really agreed except in name, for the Labour Party proposes to reach Socialism not by immediate nationalisation of all means of production, but by taking them one by one. An apparently slower procedure, but in reality a far more deadly one. The Socialists, then, have a real policy, which will oust the unreal one of the Liberals.

The Unionist Party also has a definite political creed, briefly summed up in the word Imperialism, which includes Unionism, on which it is founded. It is true that there are some few persons who would federalise the United Kingdom, breaking it up into its original component kingdoms as a preliminary step towards federating the Empire. It would not probably in any case be the best course, in order to obtain greater unity, to break up that unity which has already been achieved by our ancestors, but even if it were so, the idea is of the academic sort, as the main driving force of Home Rule comes not from those who are Imperialists, but who are, for the most part, avowedly Separatists. It is only English sentimentality and love of self-deception which make people believe that a movement that owes its whole force to Separatist Nationalism can be diverted into an Imperialist movement for closer connection. It

may also be observed that the nineteenth century idealisation of parliamentaryism was Scotch and English, mainly the last, and that the Irish have never been its admirers; that, on the contrary, they have always been in violent opposition to it, and even their most powerful leaders have had some difficulty in persuading them to take part in it, merely for the purpose of discrediting it. They have not succeeded in their main object of wresting Home Rule either from its opponents or its nominal friends, but they have succeeded, to a certain extent, in discrediting parliamentary government, in making the machine work badly, and in showing it to a disappointed and rather horrified public as impotent and futile. Parliament, throughout its treatment of this problem, has not shown fine governing qualities; it has refused to abdicate to a rival in Dublin, except in that refusal, and it has hardly been consistent even in that; it has shown itself feeble, irresolute, and vacillating. Twenty years of resolute government has been mingled with that kind of magnanimity that is not magnanimous, but simply the lack of fortitude that will endure difficulties.

For the present the situation is saved, thanks to the impracticabilities of the Irish themselves. It is the work of Unionism to put the Union out of danger of being saved only by such a piece of unexpected good fortune as the mistakes of Separatists. To preserve the Union, however, is only to maintain what we have already got, thanks to Pitt. Imperialism looks a great deal further afield; its ambition is to carry on the work of Edward I., of Cromwell, of the authors of the Scotch Union, and of the two Pitts. The means may be political federation, military co-operation, fiscal and commercial reciprocity, inter-imperial free trade, customs union, or preference. There are many means. That all have their special difficulties is obvious. To consider only the political

difficulties, it is plain that, in an Empire so wide, scattered and diverse, both in race and to some extent in interests, it would require a very strong compelling emotion, such as a common lovalty for the Empire, the Throne, and the flag, to overwhelm those divergencies of interest and provincial sentiment which must exist, and which probably ought to exist. Canada and Australia, conscious of growing nationhood, would resent any attempt at dictation; South Africa has difficulties of race and history. Even in the Mother Country, as was to be seen in the late Colonial Conference and at the general election, speeches were made and appeals addressed to the British public not to adopt a policy favourable to rich and prosperous colonials needing no help, but prejudicial to our own people at home. How often, was it urged, were we to be dictated to in our fiscal arrangements by those whom we allowed full fiscal liberty to do as they chose? That some such feeling was aroused by these appeals cannot be doubted. It was an appeal to the provincialism of the metropolitan state, if the metropolis could only be made to realise that provincialism need not be confined to the outlying states, but may be equally, or even more, rampant in the capital itself. It is this feeling of predominant partnership in the Mother Country, this refusal to realise that the daughter colonies are growing into equal statehood with herself, that is the great stumbling-block in the way of Imperialism and federation, greater even than the exaggerated sensitiveness of the colonies at any possible interference with their full internal authority. Briton at home does not sufficiently realise that the Briton oversea is not so much loyal to Great Britain as to the Empire: to an idea rather than to an actual place. Great Britain, to him, is only a part of the Empire, a part which he regards with a sentimental interest; but the part to which he belongs is even more important to him,

for he looks at his country with the eye of faith, he sees it filled with an over-flowing and prosperous population, whereas the caviller in the older country too often thinks of it only as at best a half-developed country, with a population no bigger than Lancashire or Durham. The caviller has something to say for himself, as is too often the case, when he says further, "I pay for the defence of the whole Empire." The type of man who rejects a sordid bond, professing to prefer the more noble tie of race loyalty alone, none the less values fine sentiments and protestations only in the man who will pay for it with money. The offer of Canadian preference influenced him in such a way as make the movement for Imperial preference a possibility. If the colonies could share (though there are some valid reasons for their not doing so) in the burdens of Empire, Britain would be forced out of her position of supreme and almost complete control of Imperial policy. It must be allowed also that the outer States of the Empire have more to gain in this sense: that, with any scheme of political federation, however slight, they acquire a voice in the control of policy which they have not got now. It is an advance in dignity; the burdens will be increased, but the honour of full and complete citizenship will also be greater. On the part of the Mother Country there is no increase in status, but rather the contrary—an abdication of certain powers at present subject to her own discretion alone. That the parent State would be more than compensated for any seeming surrender of power is the conviction of every Imperialist; but there lies the difficulty to be overcome. The appeal has been made, and will be made again, to that narrow and barren provincialism which will not make any sacrifice of local privilege for the sake of a wider gain to the whole Empire. When a parish refuses to join with its neighbour for some desirable object of local government, we ridicule the narrow and absurd localism that refuses to co-operate with its neighbour; yet the Little

Englander glories in his Little Englandism.

Moreover, the political difficulty has its constitutional side. Parliament is the Parliament of the United Kingdom; it is also the Imperial Parliament. What would it be under a scheme of Imperial Federation, British or Imperial? The most ardent Imperialist might regret that federation should sink Parliament into a merely provincial assembly for the British Isles; yet, if it is to be the Imperial Parliament, it cannot continue to carry on the legislative work of the United Kingdom. we are faced with the task of Constitution-making, which must prove distasteful if for no other reason than that we have never had to do it, but have continued through all the centuries under a Constitution that has grown imperceptibly without our having had to sit down to think out a system. Yet it is a difficulty to be faced. We must either make a Constitution or else help our present Constitution to expand to the necessary needs, and both will require exertions. So the Imperialist has many problems to occupy him; but if he has difficulties, he also has a definite idea of what ought to be done, and can be done, if the country is willing.

The Socialist and Labour Party also have their ideas, quite different, but very real, which they press upon the country as the remedy for all political evils. It is much more difficult to say what are the ideas of the Liberal Party, because they are a dying party—dying not altogether from their own fault, but because they have accomplished the work that Liberalism set out to do, very good work much of it, even most of it. But the work is done, or nearly done, and there is not enough left to interest any one. The interest is elsewhere—with the Labour men, who want to do a great deal, and with the Imperialists. The Liberals do not want to do more

than they are forced to do by their extreme Radicals, who differ only from the Labour men in that the accident of class prevents them assuming the name, but not the policy. The Liberal, for all real purposes, is in the position of a Conservative, not in the narrow party sense, but in the wider political meaning of that name. says, or his Government says for him, we are in favour of progress and reform, but be careful you do not go too fast: consider well what you are going to do. Radical and Socialist does not want to consider; he wants to go on without doing so. For instance, he has made up his mind about the eight-hours day for miners; the Government of Liberals has not made up its mind, it would like some facts. Hence it appoints a Commission, which proves inconvenient when it brings out facts not relished by those who knew them, but wanted to go on all the same. The result is that the Liberal Government finds itself in the position of a Conservative Party in relation to its own extreme men as well as to the That it is, more or less, squeezable Labour men. does not alter the situation. If it is squeezed, the go-aheads have got what they want, whilst, at the same time, they despise those who resisted as Conservatives or Whigs, in the new meaning of that term. If they do not get what they want, the Liberal Ministry stands revealed as a Conservative force, which is so unpleasant that every effort is made to avoid the disclosure. But the actual fact is the same in both cases; in every question it is outbidden, and is bound to be outbidden, by the Socialist. The Liberal does not become, but is, a Conservative, so far as the realities of politics are concerned. How long this false position will continue without some re-grouping will be a matter of accident and circumstance. Already in Municipal politics the Conservative and Liberal make common cause against the intruding Labour Councillor, for in Municipal politics the party line is not so strictly drawn, and men adapt themselves more quickly to the actualities than in Parliament, where the working of a rigid and historic party system continues to disguise, and even to distort, the real flow of events.

The party system has always been criticised superior people, with absolute justice. Its faults are glaring, not only to those inside its ring, who are supposed to be blinded to them, but to every thinking person and every patriot outside. Every reader of English history knows how often the course of national policy has been turned aside for party convenience, how much of the thought and attention that should be given to Government and State affairs is devoted to party. All this is patent enough not to require restating, for it is commonplace, and true commonplace. None the less, it is useless to complain. We have the party system, as we have democratic government; the party system is the older and more ingrained of the two in this country. Each has its faults, but both are in existence, not to be got rid of; so both must be worked with all their faults, which, as they are known, we may do something to avoid, though no man can avoid the unpleasant feeling that, like the ancient Greek, who, knowing the oracle of doom, yet tried to avoid it by some trivial practical quibble, so we, too, in spite of our knowledge, may some day be caught by one of its many faults leading to ruin.

As, however, the party system is not likely to disappear, except in those books which describe the results of a temporarily successful German invasion, we have to consider how it affects us, and will go on affecting us. In the first place, it stereotypes a grouping that would otherwise be impossible. It maintains in the same party men of entirely different ideas. Loyalty to the party is so strong a sentiment that a man usually values his

party loyalty more than allegiance to principle; it is the higher moral virtue of the two. Here lies the great danger and the great menace. The party being largely artificial, that is, kept together by tradition, by discipline, by a form of patriotism, and not only by common principles—though no one would deny the importance of this bond—it is possible to make it work with a single individual will, imposing that will on the nation at large, even though that will represents not the will of the nation, perhaps even not the will of the party. No doubt it will generally be the will of a majority of the majority that is enforced, which is still a minority of the nation. But it may very well be, and often is, that it is the will of the minority of the majority, a much smaller minority of the whole nation, that prevails and becomes law. This may happen in various ways, as every one very well knows: the minority has only to be determined enough to threaten what is the last throw of the resolute politician, to put the party out by voting against it, if its own special policy is not adopted, to ensure success, and to see its own special plank included in the party platform. The whole party system is built up on procedure of this kind in a lesser or greater degree, sometimes almost openly avowed, at other times concealed in the general mass of party management. When the party is flourishing the process is normal, consequently unobserved; but so soon as the party fails, it becomes apparent to all men in struggles for the mastery. In the latter case it does not matter, as a party in this state is likely to be out of office, or it soon will be; but even in the normal party and normal government, there is this constant struggle going on behind the scenes, and in this struggle the section that is determined forces its will on its own party, through that on Parliament, and after that on the nation.

So we have legislation that would be rejected if the

nation, as a whole, were consulted on that point alone, becoming law contrary to the wishes of a majority, perhaps a large majority, owing to the natural working of the party system. If it is conceded that the party system is the inevitable offspring of government by Parliament, we have here a grave defect in our Constitution, the effect of which may become, at any time, of the greatest danger, if, owing to the tenacity of party, no re-grouping in Parliament takes place, with the result that a Labour and Socialist Party, stronger than they are now, but yet not representing a majority, are able to force on a shapeless and purposeless party, reluctant, yet consenting, a policy that the country does not approve.

Are there any remedies? Plenty have been suggested; most of them have been tried, for there is probably no political device that has not at some time or other been proved. In the main, however, there are not more than three. Proportional Representation is said to be a remedy. It would probably give a more varied and more correct representation to start with; but the consequent groups could be united into a party when elected, not perhaps with so much cohesion as under the present electoral system, nor with such large majorities in Parliament. But the art of log-rolling would flourish even more when the bond of common principle was weaker and when the only link was that of maintaining a fitful cohesion among sections, only to be accomplished by a more flagrant working of the party system than the present. The present system exaggerates any wave of feeling that passes over the country, but it is a wave of genuine feeling, and, in so much, it is preferable to the art of constructing coalitions out of small sections.

The second, and more time-honoured, plan is that of a Second Chamber, checking the vagaries of overwhelming power which otherwise would be vested in a Single Chamber. There are some who say it should not be

checked, as he who thought that if the Second Chamber agreed it was superfluous, if it disagreed it was mischievous. There are others who think that accountability to the electorate at a dissolution is sufficient to check any abuses. But experience shows that members newly elected do not think of a distant dissolution, and, even if it were so, it is no safeguard against the log-rolling of our party system.

The controversy is hardly whether there is to be a Second Chamber, for there is probably the very smallest minority advocating such a settlement of any political minority known. On no political subject is there more universal agreement than that it is desirable to have some Second Chamber as a check on unbridled power, for power absolutely unchecked is the most demoralising force in existence. It has already been seen that the British are not much influenced by foreign experience, but when it is so overwhelming it is difficult for the most insular not to be impressed. Every nation that has started a Constitution, with the exceptions of Greece, Servia, Bulgaria, and Russia (if her Constitution can be said to exist), has instituted a Government with two Chambers. With every variety conceivable as to their powers, composition, mode of election or nomination, they are all agreed on this one point, whether they are monarchies or republics, federal or unitarian states. the United States the Senate is the predominant partner, caused by the fact that it represents the various States, so that it is even more significant to find that those few States in the Union who tried a system of singlechamber Government have adopted the two-chamber system.

France made a memorable experiment in one-chamber government. But the record of the Convention is not such as to create imitators, and to-day the Senate is the equal, if not the superior, of the Chamber of Deputies,

The Colonies of the British Empire have universally adopted the same system. There have been controversies, even deadlocks, between the Chambers, but they have been surmounted by the aid of common sense and forbearance, with the result that, so far as can be foreseen, there is no demand for any drastic alteration that would leave all power in the hands of one Chamber.

But there is a more striking illustration to be found in our own history, in that one break that occurs in its otherwise even development. There was one period when the House of Commons ruled unhampered by King, Lords, or constituencies, for they had abolished the first two and declared themselves permanent. The result was a tyranny in which the Rump of the House of Commons arrogated to itself all powers, executive, judicial, and legislative. As Cromwell complained: "An arbitrary power, I say, to make men's estates liable to confiscation and their persons to imprisonment, sometimes by laws made after the fact committed; often by Parliament's assuming to itself to give judgment in capital and criminal things, which in former times were not known to exercise such jurisdiction." As he said further, in justification of having expelled them, when they went out "no dog barked."

The country was thus faced with the obligation of making a new Constitution, which it had never done before. All sorts of plans were suggested—democratic, ingenious, fanciful, practical. In such a wealth of proposals there might be some found that would prove helpful to the present Government in their difficulties over their abortive resolution on the relations of the two Houses. Cromwell, at any rate, discovered that government with a Single Chamber, which he tried, was a failure. An eminent lawyer, and a member of Parliament, complained "that this Parliament did pass more in one month than the best student in England can read

in one year, and well if he can understand it then. check is necessary upon us." But even he would have been surprised if he could have foreseen the record of some American States, one of which in two years saw 2,093 Bills introduced and 681 passed, whilst another in the same time passed 1,400 out of 2,390. ingenious American of the nineteenth century has invented a sliding scale of payment for his representatives, varying inversely with the length of time they sit in session, a device that for the present we are unable to Precipitancy and arbitrariness in a Single House led the English to try a brand new House of Lords and a written Constitution as a check on varying humours. They went back with rejoicing at the Restoration to the Constitution they had known. It is not very likely that, having made a trial of a new Constitution as the result of Civil War and the domination of a Cromwell at the head of an all-powerful army, the country will again try the experiment on the timid suggestion of the movers of the Resolution of last Session.

But though political judgment as well as historical and contemporary experience alike forbid us to believe that any serious attempt will either be made or succeed in cutting down Parliament into the Single Chamber of the House of Commons, it is not likely that the House of Lords can indefinitely continue to exist in its present shape. That it has existed so long without material change is a tribute to the essential moderation of both Houses. The House of Lords has not, on the whole, been reactionary, nor has it permanently stood in the way of reform expressly desired by the nation. It is true that an impression to this effect is conveyed by the lists, familiar to all, of rejections of Bills by the Lords. But equally long lists could be made out of rejections by the House of Commons, which, after perhaps a tardy

conversion, expects the other House to be converted at exactly the same moment as themselves. Hence much talk of rather an absurd character to those with any memory. In reality, neither House can resist any real wish of the nation, the hereditary House no more than the elected one; the only difference is that the wish reaches the House of Commons and there becomes operative slightly before it reaches the House of Lords.

The fault of the House of Lords, indeed, is not that they resist too obstinately the will of the country, because that will is irresistible, but that they have not sufficient power of resistance to what may not be the definite will of the country, but only some passing phase, or what, owing to our party system, appears to be their will, whilst in reality it is only the will of a minority foisted on the country as their wish, unless there is some Second Chamber to expose the imposition by insisting on an appeal to the country. Yet to insist on this exposes the Second Chamber to the full fury of party attack, which is bound to justify itself by loud assertions that, as the representatives of the electors, they must represent their wishes. Hence it is essential that the Second Chamber should be of the strongest, in order to be able to withstand the attacks of a perhaps powerful party and to insist on that reference to the electorate that the party in power may wish at all costs to avoid. That is to say, that the only real value of a Second Chamber, beyond acting as a chamber of revision, which is only a secondary matter, is to be able to force a dissolution if the occasion requires it.

The question that those who wish to strengthen, yet preserve, the Constitution have to ask themselves is whether the House of Lords as it exists now is strong enough for this duty. It must be confessed that they are probably not strong enough. They judged rightly the wishes of the country when they rejected the Home Rule

Bill, the reward of their right judgment has been an increase of power and consideration politically. suppose they were to judge mistakenly, that they misinterpreted the wishes of the Nation, or that they considered the question so vital, so much a matter of right and wrong, that they rejected it regardless of consequences. What would be the result? We have seen the result of their action in amending drastically a Government Bill, in the proposal of that government to reduce them to impotence whilst leaving them in existence-the worst of any proposal possible, worse by far than an avowed single chamber system. But so far it is a threat only. important matter is, what will be the judgment, not of the aggrieved party, but of the country? If it is adverse, are the Second Chamber likely to be left with any of the powers that make a Second Chamber worth having?

That is what no man can prophesy even for the comparatively near future. As regards the more distant future, even supposing the Lords to gauge the opinion of the country correctly, can it be expected that a House based avowedly on the hereditary principle will survive without change? The House of Lords is defended, and defended quite reasonably, on the ground that as a matter of fact it contains many men of great ability and great experience in public affairs, that it is not uncompromising, but practical and conciliatory, that it is even largely representative, not in a technical sense, but in its wider meaning, of many interests, though not all. But this was not the original source of strength of the House of Lords in the days when it was, if not supreme, at any rate the stronger House. Then it was the stronger House because the peers were, in fact, the strongest political force, controlling the bulk of the constituencies, largely monopolising office, not content merely to reject measures but installing and turning out Ministries. The power of the Lords represented the actual political facts of the time.

Nor did the fact that they were non-representative and merely hereditary seem to call for any explanation or justification by showing that they were capable or reasonable or patriotic. No one saw any incongruity in the situation. That there is a sense of incongruity now no one will altogether deny. The idea of representation has become so ingrained that it is probable that the peers themselves feel a good deal of the truth of the charge that is made that they represent only themselves, whilst those with whom they are disagreeing represent the million-headed electorate. It is this feeling more than anything else that impairs their power: they hesitate to reject; they even hasten to accept the bulk of the measures sent to them, though they are doubtful, or even certain, in their own minds that the measures are bad and mischievous. The defect of the House of Lords is not that they are reactionary or obstructive, or even unduly swayed by self-interest, but that they are something of anomaly in a constitution fast becoming democratic. This would not have mattered so much in the days when our constitution was still admired for its judicious blending of aristocracy and democracy. Not only the centre of power, but the political thought that underlies it, has been shifted since then. Democracy loves uniformity at all times, even in comparatively non-essential matters; it is expecting too much to suppose that it will permanently tolerate so great an inroad on the cardinal belief of democratic government in the sanctity of election as the qualification for all legislative functions.

If this is so, to obtain a Second Chamber with such a sanction behind it as will enable it to resist successfully either passing fancies, or parties claiming to represent, and perhaps for a moment actually representing, the majority, we must devise a Second Chamber elected equally with the first. Then alone will it be impossible to say with any plausibility: "You must pass this Bill,

for we represent the people and you do not." There is little doubt that a Second Chamber of this kind could be created, elected for a longer period, by larger constituencies, and renewed at fixed intervals which did not depend on dissolution. It is certain that in other countries Senates have succeeded in acquiring that addition to their authority derived prestige, in the electorate, which enables them to maintain an equal, and sometimes greater position of influence than the lower chamber. It is conceivable that a halfway house might be found in a nominated upper House of life members, though nomination, if it is not so antagonistic to democratic feelings as the hereditary principle, is not much more powerful in reality, with the added disadvantage that a nominated House is actually appointed by the Minister of the Crown, who, if he remains in power long enough, may have nominated a clear majority of the upper House, in which case its value as a check largely disappears. The Senate of the Commonwealth of Australia seems to be a better model for imitation than that of the Dominion of Canada.

It is not likely that this country will soon adopt an elected Senate, though it may be the result of gradual change. It is more probable that the House of Lords will be restricted on its hereditary side by the application of the principle of selection from amongst the hereditary peers, with the addition of an equal, or even greater, number of peerages created for life, which would only be a return to the ancient practice, unfortunately obsolete, of the Crown summoning those whose advice and assistance would be of value in the affairs of the nation. This solution would do away with the grievance of one of the parties in the State, namely, that the overwhelming majority of peers are of one party; a majority that is accidental, but probably permanent, nor can it be altered under present circumstances by the creation of

Liberal peers, which only increases the number of Conservatives. This is a grievance that would largely disappear if life peerages were re-created.

If men could only be got to meet the constitutional difficulty which undoubtedly exists in the most thorough, and consequently permanent, way, we should set our whole minds on devising an elected Senate, representative, yet, owing to the conditions of their election, less swayed by passing fancies than the lower House. probably be the wisest course for Liberals Conservatives alike, giving security from the arbitrary power of a Single Chamber, yet bringing the Second Chamber into an avowed harmony with the electorate that could not be disputed by any one. It is not, however, to be expected that such a course will be adopted, for the change would be too great and too sudden, except as the result of some political upheaval. The Liberals have not as yet been sufficiently frightened by the advance of Socialism; the Conservatives, conscious of the dangers of upsetting a Second Chamber that exists, hesitate to change what we have for something else possibly stronger, but unknown and doubtful. The gradual alteration of the Upper House would be a real, though still a moderate, reform; it would not be permanent, but would content general opinion, at least for the time, by proceeding in the way we have always gone: of gradual change rather than drastic reform. The alternative of the Prime Minister that the House of Lords should be left in existence as they are, but deprived of all real power, is not likely to receive any support outside purely partisan circles.

It is a grave misfortune that a Unionist Government, during a long tenure of power, should have made no attempt to deal with the subject, for it is not likely that a Liberal Government, absorbed in the tactics of a party fight, will give any attention to the necessity of

strengthening our Second Chamber, at least not before they have lost a good many more seats to the Labour party. There is, however, another expedient by which the practical difficulty of a conflict between the two Houses may be solved. It is by the adoption of the Referendum. In all cases when there is a disagreement between the two Houses the Bill in question should be referred to a vote of the whole electorate, Aye or No. The advantages of such a plan are obvious; it would even save the necessity of any far-reaching reconstruction of the Second Chamber, for at any time the assertion of either House that it was the more true interpreter of popular opinion could be tested in the most absolute and certain manner. Moreover the consciousness that there was such an immediate appeal to the only Cæsar possible in a democratic State would have a sobering effect on members of both Houses. Neither House would care to lay itself open to a rebuff which would mean loss of political prestige. The House of Commons would hesitate to introduce and pass a Bill which it had good reason to think unpopular: the House of Lords would be chary of rejecting a Bill that came to it supported not only by the authority of a party and its government, but also backed by a majority of the country. Hence there would be a readiness to negotiate, to minimise points of difference, to find a method of agreement rather than push the quarrel to the last resort. Only when either House felt very sure of its ground would it insist on its own view, confident that an appeal to the whole electorate would justify it in its attitude of insistence.

There is this added advantage that the system of log rolling, both in its more innocent as well as in its more flagrant forms, would be made impossible. The minority of a party could no longer force its own measures on the country by means of the party. It can only do this now because our system makes a Government stand or fall by

the rejection of any one of its measures, whereas an adverse vote taken at a Referendum need not entail any such dismissal. Thus at a single stroke the most insidious danger of the party system would be cut out. It would have the incidental effect also of strengthening the Government of the day by enabling them to resist the pressure of cliques and sections, for they would point out that even if a Bill were passed in the House of Commons by the pressure of the party system it would not thereby be secured if exposed to a vote of the whole electorate standing on its own merits and no longer enmeshed in the web of the party programme.

In fact, the Referendum gives us the only appeal possible in a Government thoroughly democratised. parties appeal to public opinion, both Houses in a conflict profess to be its true exponents. Here is the test of their sincerity. The party or the House that refuses it exposes itself to the suspicion of confessed hypocrisy. Nor can any really serious or valid argument be found against it. Under it democratic theory is carried to its most logical conclusions. A practical solution of an admitted difficulty is provided by it. What arguments can be advanced against it? That it is an innovation, that it is copied from abroad and has an un-English name, that it depresses the position of Parliament by exalting that of the people, that it weakens the power of the executive by calling in the electorate as its judge not at the end of five or seven years, but at the actual moment, that it relaxes the tightness of the party tie by allowing a question to be settled on its own merits untramelled by the general party position. These are the reasons for which it is disliked, if not the arguments by which it is openly resisted. it would be an innovation cannot be denied, nor that it would considerably modify our Parliamentary system. To say that it would depress the position of Parliament is to put the cart before the horse, for the position of Parlia-

ment is by common consent not what it was; inroads have been made already on the monopoly of its position by the caucus, by the Press, and by the more direct action of public opinion. The Referendum would do nothing to add to this, it would simply regularise and recognise a development that has already taken place. shrink from any change may dislike an alteration which seems to derogate from the dignity of Parliament, but they may be reminded that our Parliamentary system has never stood still, that it has been the subject of continuous modification, and that it is impossible to imagine that it will not continue to be modified as changing circumstances require. The Cabinet system was equally disliked and dreaded when it first became apparent in the working of the Constitution. It is now the very centre and pivot of the whole system. In the same way the Referendum, disliked and feared by the school of Parliamentaryism which would have things as they are, must be adopted if the changed relation of Parliament to the Nation is to be recognised. It is not only the bringing of our system into harmony with existing political facts, but it provides at the same time a solution of the problem of how to deal with a conflict of the two Houses, a safeguard against the tyranny of a Single Chamber, a protection against the abuses of the party system, and an assurance that only the will of the majority shall prevail. That it provides no safeguard against the tyranny of the majority is true, because there can be no such safeguard if they are minded to be tyrannical. The only security against such tyranny is not in any constitutional checks, but in the enlightenment, common sense, and practical qualities of the people as a whole.

MORPETH.



IRELAND

BY

THE HON. HUGH O'NEILL



IRELAND

THE twenty-first of May, 1907, must be considered an important date in the history of Ireland. It was the day of the meeting of the National Convention in Dublin which scornfully rejected the Irish Council Bill as "utterly inadequate in its scope and unsatisfactory in its And thus, a curious phase of Irish politics was consigned to history—an insidious scheme, little enough understood in Ireland and scarcely at all in England, the product of that most unsatisfactory element in Ireland, a weak and visionary middle party. What will be History's verdict? Will it be said that the Irish National Party missed a "golden opportunity" for the attainment of their ends, or will it be said of Devolution that it was merely an insignificant bubble which appeared for a moment upon the stream of Irish politics, and, when it had burst, left behind on the waters no trace of its existence?

The attitude of the Unionist Party towards the Bill has been much misrepresented. It has been said that the reason they opposed it was that they considered it would be a success and demonstrate the capacity of the Irish people to govern themselves, and so overcome the hostility of England to the granting of a full measure of This was not so. The grounds upon Home Rule. which Unionists resisted the measure were they knew it could not possibly be a success. results could only be bad for Ireland, and throw the country into a state of chaos. The Nationalists are perfectly right when they say that "any attempt to settle the Irish problem by half measures would be entirely unsuccessful." An illustration of the futility of such half measures is afforded by the constitution of 1782. At the time it was certainly regarded by Ireland as a final adjustment of her relations with Great Britain. It was to inaugurate a new era of peace and prosperity. In the words of Mr. Lecky, "Ireland, from the slave of Eng-land, had now risen to the dignity of independence. She participated at last in all that was best in the English constitution After a long winter of oppression and misery, the sunlight of hope shone brightly upon her."* It was the outcome of a well-ordered but determined popular movement organised and led by sober, earnest, loyal men. It came shortly after the abolition of the commercial code; the country was on the whole peaceful; disloyalty or dissatisfaction with the English connection was practically unknown among any considerable section of the population. At a time when English arms were suffering defeat after defeat in America, in Ireland was to be seen the spectacle of a people voluntarily drilling and arming themselves to resist the expected invasion from France. And yet, only eighteen vears later, things had come to such a pass that the choice had to be made between a legislative union and what was bound sooner or later to expand into complete separation. Very soon it became obvious that the constitution was full of defects. It was in reality nothing but a half measure. Ireland had indeed obtained a free and independent Parliament, but the executive was entirely in English hands. In spite of the protests of Grattan, the English ministers, by means of corruption and other forms of outside pressure, were able to direct the Irish Parliament as they liked, though occasionally, as on the Regency question, it displayed a hostile attitude dangerous to the unity of the Crown and the safety of the Kingdom. And so the constitution was a failure.

^{*} History of Ireland in the Eighteenth Century. Vol. ii., p. 317.

The constitution set up by the Irish Council Bill of 1907 was also bound to have failed had it ever come into being, and since it is by no means certain, in spite of the fate of Mr. Birrell's stillborn bantling, that no similar scheme will be proposed by the Liberal party in the future, it may be worth while to glance at some of the conditions which foredoom such schemes to failure. Ireland unfortunately does not possess an unlimited reserve of steady, sensible, moderate men such as should constitute a body like an administrative Council whose business would be to promote increased efficiency in the various Government departments. The members of such a body would be for the most part men without experience or knowledge of public affairs, mere nominees of the United Irish League. A Council possessing only executive powers, whose main duty would be to control a considerable part of the Irish Public Service, and which had the spending of large sums of money, ought to be, to produce the best possible results, a body as far as possible free from political passion and undivided by any strictly defined and impassable party barrier. 'And vet every Irishman knows that Mr. Birrell's Council, or any assembly like it, would at once divide itself into two rival parties bitterly opposed to one another; every resolution would be discussed on party lines, the victory always lying with the same side. An assembly such as this would be certain before long to come into conflict even with a Liberal Lord Lieutenant having such extensive powers as were proposed to be given him by the Some extreme resolution would be carried rejected Bill. in opposition to the loyal minority. The Lord Lieutenant might refuse to confirm it, or might exercise his power of dealing with the matter as he himself thought fit; party feeling in Ireland would be aroused; agitators would fan it into flame; one party would support the Council, the other the executive-in other words the British Government. The fight would be between the British Government on the one hand and the Irish Council—of course supported by the Nationalist Members of Parliament—on the other. There would be the same difficulty that arose more than a century ago. It was a succession of these conflicts which in 1800 led to the Union. In the twentieth century they would lead to Home Rule and ultimately to complete separation.

The Irish Parliament after 1782 was a notoriously corrupt assembly. But the bribery was always employed by one side, the British Government. If the Parliament had been left to itself its legislation would have been contrary to, instead of in support of, the policy of England. Those of its members who were not corruptible nearly always found themselves in opposition to the Lord Lieutenant and the executive, and such independent spirit as the corruptible members had, if it had ever come forth from its hiding place, would have been on the same At heart the Parliament was utterly opposed to the legislative union; and it must always be remembered that this Parliament was composed almost entirely of men who were profoundly loyal to the British connection and proud to belong to the British Empire. If Ireland had been threatened by any foreign enemy of that Empire, they would have been the first to rise up in her defence. If, therefore, a Parliament composed of men such as these was at heart opposed in nearly everything to the British Government, how much more would this be the case with an Irish Council or Parliament made up the elements which are at the present representative of Irish political opinion? The Nationalist politicians of to-day are the heirs, not of Grattan and his followers, but of Wolfe Tone, Emmett, Hamilton Rowan, and the rest of the leaders of the United Irish-In the case of a present-day Irish Council, the occurrence of a series of such deadlocks as have been

indicated would confront the Imperial Parliament with a problem for which there could only be two possible solutions—either an abrogation of the Council and a return to the status quo ante, that is, the restoration of complete legislative and executive union, or the granting of a further measure conferring upon Ireland more complete independence. The first alternative is impossible to conceive. The Council, once brought into being, would never freely consent to its own dissolution, and such bribery as alone made the Act of Union possible is fortunately out of the question to-day. If any Government were bold enough to attempt forcible measures. the members of an Irish Council would always command the sympathy of public opinion by solemnly protesting their rights as the elected representatives of the people. They might even adjourn to the neighbouring tennis court and swear the famous oath of the Tiers Etat at Ver-No, once granted, an Irish Council would always remain, until it dissolved itself voluntarily to make way for a Parliament with an executive responsible to Nor should Englishmen be misled into supposing that a popularly elected Council in Ireland would be harmless by reason of its being without legislative powers. Circumscribe its powers how you please; limit its functions to "gas and water" administration; yet you cannot restrain its freedom of speech. No consideration of relevancy would shut out from its agenda resolutions covering the whole field of politics. Seditious language, uttered from a rostrum secure of the fullest publicity and protected by privilege inviolable in practice if not in law, would be the staple of an assembly which would quickly gain immense prestige as the representative of "Irish ideas," and which would play the part of a Jacobin Club in the Irish capital. Even, therefore, if it were not taken up with the avowed intention of leading to the "larger policy," devolution by its very nature must

eventually have resulted in Home Rule. It is, however, to be hoped that devolution is now dead and buried, and Unionists owe a debt of gratitude to the Nationalist Convention which so scornfully rejected the Bill of 1907. But the unexpected often happens. It is not impossible that before long some similar scheme may be propounded. perhaps a little more extreme and a little more obviously intended to lead up to Home Rule, but at the same time containing one or two visionary safeguards to satisfy the scruples of the English electorate. A great deal may be done with the help of ingenious drafting and the guillotine. Moreover, it must not be forgotten that there is still a section of politicians who profess to support devolution. At the election in West Down in September, 1907, the independent candidate talked a good deal about devolution, and, insignificant though the party he represented may be, it would be a mistake to forget altogether that it exists.

To discuss the whole question of Home Rule in detail does not come within the scope of this paper, but it may be useful just to recall the main contentions upon which the opposition to Home Rule has been, and always will be, based. These are two in number—first, that Home Rule would be the worst possible thing for Ireland herself; and second, that Home Rule would lead to separation from England and the consequent disruption of the Empire.

Revolutionary constitution-mongering is a dangerous game, and if it is to be successful certain elements must be present in the country where it is to be applied which are unfortunately wholly absent in Ireland. If bloodshed is to be avoided the people must be by nature peaceful and law-abiding, and there must be abundant proof that the change is really desired by a practically unanimous population, as was the case in Norway when she accomplished her separation from Sweden—a

separation, be it noted, that was not prevented by the previous enjoyment of that legislative Home Rule which excited Mr. Gladstone's envious admiration in 1886. Again, the men whom it is proposed to place in power should have proved that they will not abuse that power. Unless these conditions are satisfied, no sane man would venture to prophesy success for the contemplated change. Those who now maintain that Ireland is in a fit state for a great constitutional experiment are either ignorant of well-known facts or else they deliberately ignore them. The people, who have never been distinguished for their love of tranquillity, are to-day far from being peaceful, as everyone who reads the newspapers knows; and a great deal goes on behind the scenes which possibly never comes to the notice of the public in England. The League is so powerful that its decrees are now almost always observed, unwillingly enough it may be. Referring to the tyranny of the League, Mr. Walter Long said in a speech shortly after vacating the Chief Secretaryship: "There is a power and an instrument quite as effective in its terrorism, quite as powerful as an engine for coercion [as the old method of shooting landlords and agents] which is more difficult to deal with, which, morally speaking, constitutes as great a crime as murder or outrage upon the individual."* In many districts the law is set at defiance; loyal subjects have to be placed under police protection; postmen are subject to attack; secret societies exist on all sides. The very necessity, universally acknowledged, for the Royal Irish Constabulary—an armed force under Imperial control—is a standing testimony to the state of affairs in Ireland. Nationalist political leaders do not represent any sane or moderate section of opinion. With a few notable exceptions they are not men whose education and antecedents would fit them to control the Irish or any other

^{*} Speech at Knowle, December 13th, 1905.

people, and moreover at the present moment they are quarrelling with considerable vigour among themselves. Nor is there any reason to believe that the granting of Home Rule would bring about a change in this respect. As Sir Horace Plunkett says: "If those among them [the Nationalists] who possess, or at any rate can make effective use of, qualities of constructive statesmanship, are as few as the history of recent years would lead us to suppose, what assurance can Ulster Unionists feel that such men would spring up spontaneously in an Ireland under Home Rule?"*

It has been said that Ireland suffers from too much politics, and yet in one sense there are less politics in the greater part of Ireland than in probably any other part of the Empire. Contested elections outside Ulster are almost unknown, and the passions which would be aroused by them are given no chance of bursting forth. This state of things would soon cease under Home Rule, and the many divisions of opinion which would be bound to arise would give the political agitator even more opportunities for stirring up strife than he has at present, to the increased detriment of Ireland and the neglect of her material advancement. The way in which the Local Government Act has worked affords a striking proof of the great dangers of extending its principles. In most of the local councils Unionists have been entirely excluded, so that minority opinion is wholly unrepresented. In many of them disloyal resolutions have been carried. Contracts and appointments are given on purely political or sectarian grounds. Most of the councils are simply political and nationalist bodies-"a network of nationalist organisations all over Ireland," in the words of Mr. John Redmond. And as yet, no practical benefits to the localities have appeared. Brawls have been frequent in the council chamber; free fights by no

^{*} Ireland in the New Century. p. 89.

means unknown. Would the true interests of the country be any the better served by a central body in Dublin?

But the chief reason of all-and it cannot be too often repeated-why Home Rule could never succeed is that the demand for it is not by a long way unanimous. Something like two-fifths of the population are passionately hostile to the demand of the majority. Many who call themselves Nationalists, sensible men who have an interest in their country's prosperity, dread the prospect of Home Rule. The north is against it in deadly earnest. and would resist it if necessary by force. Many Englishmen would be surprised to learn the amount of money that was promised by Ulstermen in 1893 to be used for organisation and equipment to resist Home Rule if it ever became law. The prosperous north-east would no more consent to be put under the heel of the Nationalists to-day than it would have consented in 1886 or 1893. The only result would be civil war, bringing ruin and destruction in its train. These are hard facts, and Ulster knows them well. Home Rule could only bring misery upon Ireland.

That Home Rule would eventually lead to separation is a fact which is perfectly well known to every thinking Irishman, be he Unionist or Nationalist. It is true that there does exist a small section of Irishmen, of whom Mr. Samuel Young, M.P., is an example, who honestly believe that if a Home Rule Bill were passed, Ireland would become a loyal and contented portion of the Empire. But they plough a very lonely furrow indeed. They have practically no following. For the most part they belong to the Nationalist Party, but they are not really Nationalists. They have no abhorrence for the British name and flag. They look upon the army as an honourable calling and one which is as necessary to Ireland as it is to England. But their influence is nil, though, unconsciously perhaps, they advance the

separatist cause by making moderate speeches which are quoted in English Radical newspapers as typical of the Nationalist demand. That is the extent of their

power one way or the other.

Apart from this small and insignificant section, the Irish Nationalist Party has as its avowed aim the ultimate separation of Ireland from the Empire. This has been the object of considerable numbers of Irishmen all through history; it has gradually and surely been growing in intensity and force until the present day, when it is, perhaps, stronger than ever before. It was the goal at which the United Irishmen aimed. Wolfe Tone says: "To subvert the tyranny of our execrable Government, to break the connection with England (the neverfailing source of all our political evils), and to assert the independence of my country, these were my objects."* These were also the objects of the Young Ireland move-The same spirit animated Mitchel and found forcible expression in the columns of the United Irishman. The Fenians also conspired and plotted with this end in view. It was the ultimate object of Parnell, who said it was impossible to "fix the boundary of a nation." The utterances of present-day Nationalists in favour of separation are so numerous and have been so often quoted that they need not be repeated.

Of late years affairs in Ireland have been moving with considerable rapidity, and the separatist idea has made alarming progress. Various organisations and societies, some secret, some open, have sprung up and increased in membership and power, with the result that there now exists a veritable network of organisations all over the country whose ultimate objective is in every case the same: the establishment of an independent Irish nation. Of these the most important is the Ancient Order of Hibernians. This is a secret society with branches all

^{*} Life of Wolfe Tone. I., 55.

over the world, and though of very ancient origin the increase in its membership during the last few years has been phenomenal. Ostensibly it is a friendly society; it has its own oath, secret signs and passwords, its ritual, ceremonies of admission and initiation. Mr. John Redmond was probably referring to the Ancient Order of Hibernians when he spoke of the "great unknown power" which was behind those conducting the constitutional movement in the House of Commons, and which was "waiting for an opportunity which might arise to have recourse if necessary to other methods to advance the cause of Ireland." A little book has been recently published called The Unknown Power behind the Irish Nationalist Party,* which traces the history and objects of the Order and shows clearly that it is descended from such organisations as the Defenders and the Ribbonmen, whose exploits form anything but pleasant reading. The solemn oath of the Ribbonmen contained the following clauses:- "I swear that I will not hear the moans or groans of infancy or old age but that I will wade knee-deep in Orangemen's blood And I further solemnly swear to do all in my power to procure the independence of Ireland."† Only Roman Catholics are admissible for membership of the Ancient Order of Hibernians. Then, of course, there is Sinn Fein. It, too, is growing enormously in power and influence, and has never made any attempt to keep its purpose secret, which is the severance of every tie connecting Ireland with the Empire. It advocates a complete boycott of English goods, English government, and English laws. favours the establishment of separate Irish Consuls in all those parts of the world where Irishmen are to be found. It holds that Ireland should utterly disregard the British

^{*} London: Swan, Sonnenschein and Co., 1907.

[†] The Unknown Power behind the Irish Nationalist Party. pp. 97, 100.

Parliament and Constitution and should work out her own salvation in her own way and with her own resources as a separate and independent nation. It has gone so far as to assert that Ireland should claim representation at the Hague Conference, "and press for a settlement of the international dispute between Ireland and England at the international court of arbitration." It is bitterly hostile to the Nationalist party in Parliament, which it considers utterly worthless and helpless, and whose members it would like to see leave Westminster in a body as a protest against British rule and come over to Ireland to devote themselves exclusively to the "ourselves alone" policy. It is a comprehensive scheme, but in some respects a very foolish one, and perhaps this is the reason why it is making such headway. The rejection of the Irish Council Bill was due more to Sein Fein than Mr. Redmond's followers would care to admit. power of Sinn Fein is merely another example of the trend of Nationalist opinion in Ireland, of its open abandonment of the Gladstonian theory of Home Rule, and its increasing adherence to the purely separatist ideal.

The increase in the number of separatist and seditious newspapers in Ireland affords further startling proof of this fact. There is Sinn Fein, the official organ of the party of that name. It is of very recent appearance, and its life may still be reckoned in months. Then there are The Peasant, which also supports Sinn Fein ideals, and the Hibernian Journal, which devotes itself to the aims and objects of the Ancient Order of Hibernians. And lastly, there is the Republic, started "to gather together all that is best and greatest, most progressive and farseeing, in Ireland round the republican banner and to build up, not a republican party, but an independent Irish Republic." All these papers have appeared com-

paratively recently, and point to only one conclusion the rapid growth of the completely separatist movement.

There are many other organisations in Ireland, some with an ostensibly good object, some with an ostensibly bad one, all with the ultimate idea of complete independence as their guiding star. In a letter appearing in the Freeman's Journal of January 31st, 1906, Mr. John Sweetman, a prominent Nationalist, sums up the matter when he says the Irish Unionist Alliance is quite right in stating that "out of the Gaelic League's de-Anglicising propaganda have already grown a series of movements not only strongly political, but each and all making for a separate independent Irish nation freed from every link of the British connection." There is something very significant about all this. It savours strongly of Russia, or of the East, or of the Middle Ages. terrible days of the Fenians and the Land League, when dark unknown shadows seemed to be lurking in every corner ready to spring out at any moment and claim their victims. Men may talk of these things in whispers and with bated breath, but they exist all the same, and in considering the condition of Ireland we are forced to take them into account. There is in Ireland to-day as much or more organised discontent and disloyalty, as much of a seditious and rebellious spirit, anxious to break forth on the slightest sign of weak government, as there has ever been before.

Separation, therefore, is not only the probable, but the certain, result of any measure of Home Rule, and it is just this fact that English Home Rulers will not and cannot understand, simply because they do not know Ireland. There is something extremely ludicrous and incongruous in the sight of an estimable, peaceful, respectable English Non-Conformist Radical holding forth upon the benefits which must accrue to Ireland

when she has got Home Rule. It is most improbable that he has ever been to Ireland or knows anything at all about it—a country largely controlled by Roman Catholic Priests, where there are forces in play of which he has no conception, and where things are done on which, did he know of them, he would turn his back in righteous aversion. Irishmen who wish for the true welfare of their country are convinced that the cry of "Ireland a nation" is impossible of realisation, and, were it attempted, would lead to untold misfortune. Capital would leave the country, with an immense loss of employment in consequence. Trade between British and Irish ports would be injured by duties imposed by the And what about the millions of Irish Government. money guaranteed by British credit under the various Land Purchase Acts? Even though the Irish tenant who has purchased his holding at present pays his instalments punctually and honourably to the Imperial Government, is it likely he would continue to do so when that government became a foreign government to which, in an independent Ireland, he might justly enough consider he owed no allegiance?

Mr. Lloyd George, who, like most English Radicals of his type, is not too well informed about things Irish, declared at Belfast a short time ago that it would be unthinkable for the control of the Imperial Parliament over Ireland to be weakened. But how could real Imperial control be maintained over an independent Ireland except by force of arms? It is only necessary to look at Irish history to see that this much-talked-of supremacy would be impossible. It was the very existence of this supremacy that led to the downfall of Grattan's Parliament and put before the Empire the alternative of union or separation. Exactly the same thing would happen again.

As to the effect which an independent Ireland would have upon the Empire from a strategic point of view, nothing can give a better or more comprehensive idea than the words of Captain Mahan. The passage has been quoted before, but it will bear repetition. He says:—

"It is impossible for a military man, or a statesman with appreciation of military conditions, to look at the map and not perceive that the ambition of Irish separatists, if realised, would be even more threatening to the national life of Great Britain than the secession of the South was to that of the American Union. It would be deadlier also to Imperial aspirations; for Ireland, by geographical position, lies across and controls the communications of Great Britain with the outside world, save only that considerable but far from preponderant portion which borders the North Sea and the Baltic. Independent and hostile, it would menace Great Britain, which at present is, and for years to come must remain, by long odds the most powerful member of the federation, if that The Irish question, therefore, is vitally important, not to Great Britain only, but to the Colonies. The legislative supremacy of the British Parliament, against the assertion of which the American colonists revolted, and which to-day would be found intolerable in exercise in Canada and Australia, cannot be yielded in the case of an Ireland where independent action might very well be attended with fatal consequences to its partner. The instrument of such action, in the shape of an independent Parliament, could not safely be trusted even to avowed friends."

And from rather a different point of view the opinion of Lord Wolseley when he was commanding in Ireland in 1893, is extremely interesting. In a letter to the Duke of Cambridge written from Dublin in April, 1893, he says:—

"Of this, Sir, I beg of your Royal Highness to be quite assured, and that is, that Ulster is determined to resist. . . . The general belief in the North is that our troops, if ordered to fire upon men who will meet them with shouts of 'God save the Queen,' will fire over them. . . . If ever our troops are brought into collision with the loyalists of Ulster and blood is shed, it will shake the whole foundations upon which our Army rests to such an extent that I feel our Army will never be the same again. . . . I don't think John Bull is mad enough

or wicked enough to allow any Government to pursue a line of action that would entail civil war with all its horrors upon us." •

As to the policy of the Unionist party in the future, what Ireland needs more than anything else is a thorough re-organisation of its system of elementary education. Most Englishmen probably think that there is nothing very wrong with primary education in Ireland because they hear so little about it. But why is this? Because from the point of view of those who always make most noise about education-that is, the religious denominations-the system in Ireland is ideal. It is a system of pure denominationalism paid for by the State, and completely under the control of the clerics, be they Roman Catholic priests, Presbyterian ministers, or Church of Ireland clergymen. There are just about twice as many national schools as are really necessary. In Ireland there is a school for about every sixty childen in average attendance; in England there is one for about every 250. I know two small centres of population close together they are rather more than villages-in each of which there are as a matter of course three national schools, one exclusively for the Church of Ireland, one for the Church of Rome, one for the Presbyterians. respective managers of the schools are the parson, the priest, and the minister-and these managers have practically complete control over all secular as well as religious instruction. This painful sub-division of the schools purely in the interests of the denominations must lead to stagnation and inefficiency. But why, it may be asked, do not the people demand a better system? This is best answered by another question—what do the people ever demand in Ireland? Nothing, of course. Various demands—e.g. the demand for Home Rule—are

^{*} Military Life of H.R.H. The Duke of Cambridge. By Colonel Willoughby Verner. Vol. ii., p. 379.

made for them by their leaders; and these leaders throughout the greater part of the country are the Roman Catholic priests, who are not likely to ask for any change in a system which gives them such absolute power over the minds of their flocks. As "Pat" very truly says in Economics for Irishmen, "Our clergy assert that the Irish people are fit to govern themselves, but they assume that they are unfit to educate themselves." There is plenty of agitation for a Roman Catholic University, because that would be a further step upon the ladder of denominationalism, but there is no agitation for what is really a far more important matter: an efficient system of education for the masses of the people. It is always necessary to grasp the fact that in Ireland changes which are violently agitated for are probably not those which the real interests of the country most imperatively require. If the Unionist party were thoroughly to realise this fact, and even to take up this question of elementary education in a thorough-going way, it would be conferring upon Ireland a boon of the utmost magnitude.

As to the land, matters have been greatly simplified by Mr. Wyndham's Act of 1903. No effort must be spared to make that Act a thorough, absolute, and complete success. The Unionist party is irrevocably committed to the policy of land purchase, and it must see that that policy is carried out on terms which are fair to all parties. No drastic amendments are required. All that necessary is time, patience, and above all—money. is where the chief difficulty lies. Money only be found slowly in the present state of the national credit; but patience is all that is carry this Unionist policy to a Nothing will more effectively defeat the termination. aims of Nationalist politicans than a fixed determination to carry out faithfully the operation of land purchase. their object being to obstruct it as far as possible so as to keep alive the old friction and the old agitation as a lever for Home Rule.

Redistribution is another question of the utmost importance to the relations between Ireland and Great Britain, and it will undoubtedly occupy a prominent position in the programme of the Unionist party. It is neither fair to England nor in the interests of the Empire that there should be in the Imperial Parliament about thirty more Irish members than the island is entitled to on any representative principle based on population. Under an equitable scheme of redistribution it would be the Nationalist members who would suffer. Why should the disloyal and anti-Imperial voter in a small Irish borough have a far larger say in the government of the Empire than the voter in an average English constituency? The figures illustrating the ridiculous overrepresentation of Ireland as compared with the enormously populous constituencies of the great English 'manufacturing towns have often been published, and need not here be repeated. No logical defence can be devised for continuing the existing distribution of electoral power; nor has any been so much as attempted. For the argument as to the inviolability of the Act of Union does not touch the merits of the case; it is a plea of privilege which cannot possibly hold water, because, even putting aside the fact that the Act has already been much altered by the disestablishment of the Church, the whole theory of our constitution is the sovereign power of parliament. In no part of it, as Mr. Gladstone once insisted, are there any "fundamental" laws. The fact that anyone should have been found to bring forward the argument shows the weakness of the case against redistribution.

A great deal has been heard lately about the reform of the "Castle," and the co-ordination or amalgamation of

the various boards which administer the government of Needless to say, the number of these boards has been greatly exaggerated by those who would like to set up a "glorified Indian Council" in Dublin. "Castle" is merely a collection, in a very gloomy building, of the offices which are absolutely necessary to any administration. It is quite a mistake to look upon so innocent and humdrum a spot as a sort of Bastille-the emblem of England's tyranny and oppression. disturbing any of the Irish boards, it might be well to consider very carefully the advisability of continuing the office around which they all centre, namely the Lord This great office is tending to become Lieutenancy. more and more purely social, and it seems very doubtful whether the £20,000 which represents the Lord Lieutenant's salary might not be more profitably spent in Ireland in other directions. No doubt a Viceroy was necessary in the eighteenth century and earlier, when by reason of slower communication Ireland was much further away from England than it is now. But in the twentieth century the office is merely a survival. Chief Secretary, who ought to become a Secretary of State for Ireland, must always be the real head of the The stock argument against any Irish Government. change is that the existence of a Viceroy gratifies the Irish love of display and at the same time brings money into the country. But this contention, for what it is worth, only applies in any case to Dublin; and it is difficult to see what great benefit to the poor peasant in Connaught are a few pounds in the pocket of a Dublin tradesman who, as likely as not, spends them on a holiday in England. And the peasant is far the more typical of the Irish nation. The really serious objection to the continuance of the Viceroyalty is that the presence of a Lord Lieutenant in Dublin helps to keep alive the colonial idea, which is hostile to the true spirit of the Union.

Now that communication is so easy and the Sovereign can come to Ireland more often than formerly, a re-organisation of the Irish executive on these lines would be comparatively simple; and the change would be more in harmony than the present system with the Unionist principle.

On main principles the policy of Unionists can only be a continuance of what it has been in the past. And there must be no deviation from those principles, which are—justice, and above all, firmness. Law and order must be maintained, and if this is impossible by means of what is called, absurdly enough, the "ordinary law," there must be no hesitation in invoking the Crimes Acts. All that is best and most loval in Ireland, all those who in the past have gone through so much in return for their unwavering support of the Imperial connection, all those who are in executive authority and whose duty it may be to deal with disorder or violence on the spot, must be made to feel that behind them is the never-failing and hearty support of the Imperial Government and the Imperial power. Our opponents never tire of reminding us of Lord Salisbury's famous phrase about "twenty years of resolute government," and then they point to the present condition of Ireland and say: "Look at the result." But they forget that there never have been twenty years of resolute government. A good beginning In spite of the was made under Mr. Arthur Balfour. angry passions and recriminations which were aroused by his firm administration of the law, there was soon a marked improvement in the general condition of the In many respects the first few years of Mr. Balfour's term of office were terrible years, and yet they did incalculable good in the end. "Altogether, in spite of the intense friction still visible, there was so much improvement in the general state of affairs that it was found possible in January, 1890, to relax in eleven counties

the action of the Crimes Act," says Mr. J. F. Bright.* But besides resolution and firmness there was also sympathy and a desire to help the people. A Land Purchase Act was passed; the Congested Districts Board was established; Bills became law authorising great schemes of drainage, and setting on foot a system of light railways. Mr. Ivan Müller states that even in the worst districts of the south and west he has heard such expressions as "Balfour was a good man; his politics was all wrong, but he did more good for us than all the Secretaries we ever had."† So much for the first five years of resolute government. But then there was a Mr. Gladstone came in again. The second Home Rule Bill was introduced, and much of the good work was undone. Still, the effect of Mr. Balfour's administration was felt when his brother became Chief Secretary. More remedial and helpful measures were passed; Ireland was more peaceful than for many a long year. And so things would have gone on had it not been for the temporary lapse under Mr. Wyndham, the importance of which cannot be over estimated, and which, together with the fact that a Radical Government has again let loose the forces of disorder, has a good deal to do with the present unsatisfactory state of Had there ever been twenty consecutive years of resolute government with a prospect of its continuance even under the Liberals, there would be less agitation and more peace in Ireland to-day.

It is a gross calumny upon the Unionist party to say that their only policy for Ireland is one of harsh and severe administration of the criminal law. Everybody who has been there knows that Ireland is backward and poor and stagnating; this fact stares you in the face wherever you go except in the north-east. What we

^{*} History of England, 1880-1901. p. 126. † Ireland To-day and To-morrow. p. 19.

Unionists desire is to remedy this state of things; to free the Irish people from the system of compulsion and coercion and tyranny under which they now live; to break down the power of the League and the priests and the agitators, and to get at the people themselves; to instil into them useful and practical knowledge; to let them see that they need not go to America to find salvation, but that if they care to exert themselves prosperity lies at their very doors in Ireland itself. Economics instead of politics should be the guiding principle in Ireland. A spirit of self-help and self-reliance is abroad in Ireland Let it be our object to prevent its being diverted into wrong channels and to turn it into a powerful asset for the Empire. If this line of policy is resolutely pursued, agitation will at length spend itself and the agitators become discredited: Irishmen will then be able to think and act for themselves instead of being, as now, continually exploited by wire-pullers who, in the interests of their political propaganda, ruthlessly sacrifice the true interests of the people.

HUGH O'NEILL.

THE HOUSE OF LORDS

BY

THE EARL WINTERTON, M.P.



THE HOUSE OF LORDS

"I venture to think that, though I have spoken more frankly in the House of Lords with regard to its defects than almost any other peer, under present circumstances the country would rather preserve the House of Lords than be without any Second Chamber. When the cry was 'Amend or End,' my option has always been Amend, and I have never taken the other horn of the dilemma of ending an institution without seeing what is to replace it, more especially as I never knew by what constitutional means it was to be ended. But why is it that the country would prefer a continuance of the House of Lords, even in an unreformed condition, to the prospect of a single Chamber? Well, I think the answer is simple; what the country requires, and what is more especially required by commerce, is that legislation should be wise, deliberate, and well-considered."-Lord Rosebery at Edinburgh, December 11, 1906.

I have quoted, at the head of this article, the above extract because I believe that it represents, in unambiguous and concise terms, not merely the views of a Peer, perhaps more competent to estimate the position of the House of Lords than any other member of either House, but substantially also the views of that vast majority of the Public, who are not partisans in the so-called conflict between the two Houses, nor indeed party politicians, and whose only connection with the question lies in the very real interest which they have, in seeing that legislation shall be "wise, deliberate, and well-considered."

The great mass of Non-Party voters, whose suffrages alone decide the fate of candidates as well as Govern-

ments, has been completely unmoved by the present crusade against the House of Lords; it has not shown the slightest sign of displeasure with either its constitution or its recent actions; on the contrary, it would appear to have approved of its policy and to be far more tolerant of its defects than it was in the past. In fact, the voter, to whom I am referring, and who is found in every rank and class, believes, to use a common expression, that the House of Lords "supplies a want," and is very far from being impressed by the reasons put forward by Radicals for supplying that want in other ways; at the same time, he does undoubtedly think that the House of Lords might be even more useful, if it were reasonably reformed; he looks forward with confidence to such reforms being carried out, and, with the fickleness for which he is proverbial, he might be inclined to alter his whole opinion as to the continued existence of the Upper House, if those reforms are not carried out sooner or later. That I believe to be the position to-day. It is on the assumption that this view of the situation is correct, that I propose to deal with the question in this article. Before doing so, however, it is necessary to analyse a policy, very far removed from the arena in which the real question is being fought out, but a policy which, however slightly it may affect the main question, is yet of some interest at least to Party Politicians.

The "plan" of the present Government for nobbling the House of Lords, has now been before the country for some months, and yet there has not been found a solitary person to put forward a tolerably logical case in its favour, and only a very small number of people, who have been able to put forward any reason at all, however irrelevent, for supporting it against the three clear alternatives of boldly preserving, boldly mending, or boldly ending, the House of Lords. It is not surprising that this should be so, for not only at first sight, but (even more so) after

careful consideration, the "plan" appears to be futile and fatuous to a degree. It favours, in some respects, all three of the alternatives, which I have mentioned, and is so devised that not only is it apparently without purpose, but it would appear from its very nature, to tend to damp and evaporate a revolutionary flame, burning far more fiercely than any to be found in the Radical Party to-day. It is unthinkable that such a "plan" can have the slightest effect upon the main question of the future of the House of Lords. Yet there is little doubt that it will be supported by almost the entire Radical Party in whose eyes it does undoubtedly possess great merit, and therefore it is at least worth some consideration. The fact is, that the "plan" is the best scheme which the Leaders of the Radical Party can devise for extricating their followers out of not one but the many difficulties in which they find themselves. These difficulties are not only numerous, but, to use a very clumsy phrase, they lie one inside another, like the boxes in the old-fashioned Chinese puzzle. The Prime Minister's flock is composed of several very different species of sheep, with varying characteristics, and although, like other sheep, they are ready enough to follow a leader, they cannot, being of different sizes, all get through the same gap. Take for instance that section which the Labour allies of the Radical Party, ever ready to strike the unoffending Radical, who dares not hit back, aptly term the "Liberal Plutocracy."

This element is a very powerful and essential one, and it is interesting to note how studiously it is ignored in public by the Party Leaders. There is a traditional belief among Radicals that their Party is a poor one for ever engaged in an uphill struggle against the vast, hoarded wealth of their opponents. It is a belief energetically fostered by Mr. Winston Churchill and Mr. Lloyd-George, as well as by every Radical street-corner orator, and not a few Nonconformist preachers; even

Lord Rosebery himself, with a singular and most unusual lack of humour, has subscribed to it. Yet there are rich men in abundance in the Radical Party both within and without the House of Commons, to whom the House of Lords has hitherto been doubly useful; firstly, these so-called "Liberal Plutocrats" having in many cases a large stake in the country, and being human, are only socialists where the division of other people's property is concerned, and like perhaps even less than any one else the menacing agitation against Capitalism and Big Industries, which is going on in the country. They have not, it is true, made much outward show of this faith, but with them, as with their first cousins, the Liberal Imperialists, self-effacement is easy and desirable. hitherto their course of action has been clear enough. They approve, with noble self-sacrifice, the most predatory policy, because they believe that predatory legislation will never pass the House of Lords, and so they are not really fouling, only pretending to foul, their own nests, when they cheer Mr. Keir Hardie or Mr. Maddison. In the second place, many of these gentlemen are looking forward to receiving some recognition and reward for having borne upon their backs for ten weary years almost the whole burden of the Liberal platform, upon which other men in the full glow of the limelight have pranced and performed. Nor do I suggest that there is anything in the slightest unreasonable in such a view. years, peerages have been frequently bestowed upon those to whom the Party in power is under an obligation for services rendered. In theory, it is difficult to take exception to such a state of things, unless one is prepared to abolish the present Party system. It is perfectly well understood that the Crown creates a certain number of Peers on the recommendation of its Ministers in the same way that it yearly issues the Speech from the Throne. For both actions, the Government of the day and not the Crown is, and is regarded as being, responsible. In practice faults have been found with the system, and hints thrown out of wide-spread corruption, but speaking generally, it has worked well, and the selections made by both Liberal and Conservative Governments have been as a rule entirely justified; the House of Lords has been strengthened by the entry into it of men, by no means all of the same views, but all of them representative of great business interests and men of wide experience. Men, too, who in some cases have struggled successfully against overwhelming odds in their youth. Their presence in the House of Lords is the best possible answer to the charge that that House is composed almost entirely of hereditary Landowners.

At any rate, be the system good or bad, it is not one to which any Liberal can consistently take exception, having regard to the number of peers made by Radical Governments during the last forty years; and yet how often do we find Radical speakers attacking the House of Lords, not so much on account of its alleged legislative doings or failings, but because of the number of rich men that it contains, whether they are rich by what their fathers left them, or what they themselves acquired. The missiles which are thrown are invariably wrapt up in a thick layer of class-prejudice and jealousy. taunts levelled by Radical speakers at the "Beerage" are a striking instance of the great love, which Radicals have, for throwing stones, when they themselves live in glass houses. If a successful financier, or ship owner, or contractor, is considered worthy of a peerage, why should not a successful brewer, or a successful manufacturer be considered worthy also? Is there anything more undignified in the brewing of beer, if the process is honourably and successfully conducted, than there is in the laying of rails or the building of ships? The truth is that the Radical Party is hopelessly compromised as regards this particular phase of the question; the public, and especially the Labour Party, has not yet forgotten that a Government, which a short week before had subjected the House of Lords to the most scathing and bitter condemnation, itself made Peers of four gentlemen (by means of its recommendation to the Crown), who, though of unimpeachable integrity, owned their Peerages purely to their Party services. One hesitates to say which was the most surprising feature of this incident, the fact that the Government dared to recommend his Majesty to make any Peers at all after their denunciation of the whole Order, or the fact that four gentlemen of Liberal persuasion were found voluntarily to join an Assembly, which, in their Party's views, is so hopelessly tainted and discredited. The phrase "organised hypocrisy" as applied to the Radical Party, is as true to-day as ever it was in Disraeli's time, nor should Unionists hesitate, from any feelings of delicacy, to drive this hypocrisy home.

In addition to the "Liberal Plutocrats," there are two other sections of the Ministerial Party, whose views on the question of the Lords are very far from coincidingthe Extreme Radicals, whose appetite for destruction will only be satisfied when the Lords are entirely abolished, and the Moderate Radicals, who vaguely desire some species of Second Chamber. The views of the former section are refreshingly clear and simple. They believe that the country is pining for a trial of their particular brand of Socialism, and that nothing stands in the way but the House of Lords. They look upon the Peers as merely a set of people who have somehow got together and somehow acquired the power of thwarting their designs. They must, in consequence, be at once removed with the minimum of fuss and trouble; to these perfectly frank and honest reformers, the notion of Great Britain sharing with Greece, Montenegro, Servia, Guatemala, and San Domingo, the honour of being a single Chamber State, is as little incongruous as the fact that she also shares with China and Turkey the honour of being the only Free Trade countries. The United States, Germany, Austria, France, Spain, Italy, Canada, Australia, Holland, Belgium, Russia, Japan, and all other countries are as wrong, they argue, in the one case, as in the other.

The last and third Section are, I think, quite distinct from the "Plutocrats," for they have, in most cases, no intention, or at least, no hope, of becoming Peers themselves, and they wish, speaking generally, for a Second Chamber, which will, without murmuring, register all the decrees of the Commons. To judge from their speeches in the House of Commons at the time of the Lords Debate, they prefer a House of Lords without any power or any functions to no House of Lords at all, because of a desire to do everything decently and in order; in their view, it is far better to take everything out of the House and leave only the four walls standing than to pull it down altogether.

No doubt this characteristic piece of make-believe has a great deal to commend it in Radical eyes, and it has, at any rate, prevailed with the Prime Minister. In devising his "plan," he, no doubt, calculated to a nicety the amount of give and take he could afford to allow his warring sections; the Plutocrats would be satisfied by the chance, which would still remain to them, of fulfilling their ambition, the Extreme Radicals would be able to point triumphantly to the abolition of all kinds of check or control upon the legislative appetite of the House of Commons, and the Moderates could either prate of their regard for the Will of the People, or of the security of a Second Chamber, according to which direction the wind, for the time being, blew from. The fact that the "plan"

not merely proposed to abolish, at one stroke of the pen, the whole theory of the British Constitution, and put nothing in its place, but also foreshadowed a revolution, and indefinitely postponed social reform, weighed not at all with its authors. The "way had been found" and by it alone must the country travel.

Such were the circumstances that led up to the framing of the Resolution, but how is the Resolution to be carried into effect? The answer is simple, and is, by now, known to every one. Recognising the truth of Bagshot's remark that "If ever the House of Lords goes, it will go in a storm," and also the fact that no storm is at present raging, or likely to rage, the Government determined to try and make one, and this determination they are still carrying out. The Government have in fact deliberately set themselves to produce not merely a constitutional crisis, but a revolution, and at a time, too, when all is calm and peaceful, and when Parliament, according to the Government themselves, has produced more legislation than it has ever done before.

The position has been bluntly and concisely put by a Member of the Liberal Party, Captain Kincaid-Smith, who, speaking in the House of Commons, on the 25th

June, 1907, said (according to Hansard):-

"It is the duty of the House of Lords to revise or reject measures which they think are not in accordance with the prevailing will of the people. If they make a mistake, they will have to bear the penalty. (An Hon. Member, 'What penalty?') Abolition, of course. Prove that they are wrong, and then bring in a Bill to abolish them. But unless you prove that they are wrong, I do not believe that the country will allow this scheme to be carried through."

More embarrassingly frank advice was never offered to a Government by one of its supporters. The Government has not yet been able to prove that the House of Lords is in the wrong, and, if they should do so, they would not dare to abolish it. Hence they are compelled to fall back upon the device, older almost than history, which has ever been dear to occupants of insecure thrones, of inventing a sham reason for a quarrel (since no real one exists), and, relying upon the confusion which follows, to obliterate their own failures.

It will be remembered, that last year, the Attorney-General* intimated that there would be two revolutions before the House of Lords would yield. It was thought at the time that the Attorney-General was not really in earnest, and was anxious to show that the occupant of what should be one of the most important and dignified offices of State, could be as irresponsible as any Under-Secretary. There was little reason for taking that view at the time, and, very little reason for taking it after the half-hearted defence for the speech made by the Attorney-General in the House of Commons. No one, of course, suggests that the Government desires armed an revolution, nor one in which blood will be shed. would like, nevertheless, to see the Peers over-awed by fear of the Mob, as they contend that they were in 1832. In these day-dreams, they see no doubt Piccadilly paraded by sullen mobs, police cordons guarding Lansdowne House, and a crowd cheering itself hoarse on the appearance of the Prime Minister in Palace Yard; a time when the Master of Elibank and Mr. Sinclair will become heroes, leaders of the Proletariat, and vet will be merciful, in their triumph, for they will still allow the House of Lords to retain some of its ancient prestige, by receiving, at intervals, batches of Liberal Peers.

The House of Lords has little to fear from such men of such methods, but in the almost contemptible nature of the agitation against them, lies a very real danger; it is

^{*} This essay was written before the lamented death of the late Attorney-General.

to be feared, from certain signs, that they may mistake the discomfiture of their present foes for a sufficient indication of the Public's satisfaction with their machinery and constitution, and an absence of any desire on the latter's part to see them reformed. Such a view, somewhat unfortunately, receives colour from the fact that the Public has shown lately, in unmistakable fashion, that it approves of the doings of the Peers, and that it is (as I pointed out earlier in this article) very tolerant of their shortcomings. It is, however, only tolerant of their shortcomings because of the much greater shortcomings of the House of Commons, and its distrust of any movement which will put greater power into the hands of the last-named Assembly. The Public desires to see, in fact, not merely a better or reformed House of Lords, but a better and a stronger Parliament, using the word in its proper sense, as applying to both To use a paradox, you can only reform the House of Lords by reforming the House of Commons. That House was never weaker or more incompetent than it is to-day, and is quite incapable of carrying into effect its own will, the will of the people, or any one else's will, except that of the limited number of men, some of them not even members of the House of Commons, who control the Cabinet. It has been said that the present House of Commons is a strenuously businesslike one; it is only so in the sense that it contains a large percentage of undeniably sincere and strenuous, even if misguided, enthusiasts on the Liberal and Labour Benches, who are scarcely ever absent from the House, and who are for ever proposing impossible panaceas for all manner of ills. The House has done nothing to regain the prestige which it is alleged to have lost in the last few years of Unionist Government; indeed, the decrease has been going on all the time. Never was the Cabinet so omnipotent, or the House, as a whole, so

impotent. The closure has been used to an extent which appals even those whose experience of the House dates only from the last Parliament, and avowedly, not for the purpose of checking obstruction, but anticipating it, and thus preventing any discussion at all.

We are often charged with being petty in our actions as Legislators, generally by journalists, who themselves provide unimportant facts and half-facts for a smallminded Public; if we are petty, it is because it is only in small matters that Party Warfare tells. Nowadays, the big debates do not really tell for or against a Government; it is impossible, under ordinary circumstances, to defeat an Administration, and difficult, even for the ablest Opposition, to discredit one, when so few people read the reports of Parliamentary debates. You can, however, injure a Government, by ceaseless guerilla warfare, by never-ending attacks on small points, by countless late sittings; in this way does a Government become irritable, its Ministers fractious, its supporters weary and angry with their Leaders; every Opposition prays for the dog days and the stifling July nights. It is not an ideal state of affairs, but it exists.

No doubt, it is to some extent inevitable, that with their growing importance, Imperial interests should be entrusted more and more to the Cabinet and less and less to the House of Commons. Democracy has its drawbacks, and the idea of its 660 representatives each managing the British Empire, without let or hindrance, is not pleasant. But, again on the other hand, it must be possible to find a "via media" between an absolutely free House of Commons, and a House of Commons governed by an Oligarchy almost Russian in the tyranny of its methods.

The present system hardly allows men to call their souls their own, and occasionally strikes dangerously near the roots of the tree of Honour itself. Take for

example a recent instance. A number of Radicals were returned to the House of Commons solemnly pledged to vote for the reduction of the duty on a certain article of everyday consumption. There was not room for doubt in the matter; they admitted it themselves. Yet these "plain, honest men whose word is their bond," to quote Mr. F. E. Smith, deliberately broke their pledge, and voted against the reduction; in private life they would probably cut off their right hand before they would break their word, but in politicial life, whatever their inclinations, they dare do nothing against the grinding tyranny of Party.

It is no part of my duty in this article to make any suggestion for the reform of the House of Commons; a sufficiently drastic reform to ensure that no Government can, by the use of its powers under the Closure, or, in any circumstances, pass a Bill through the House without allowing all its clauses, beyond the merely formal ones, to be discussed, must be carried before the House of Lords, is deprived of its power to reject or revise measures; I will go so far as to say that no man, having either a short or a long experience of the House of Commons, can really, in his heart of hearts, take exception to the following proposition:-While the House of Commons remains as it is or until its whole procedure is materially altered, there must be another Chamber, through which all legislation must pass before it becomes the Law of the Land, unless one is prepared to go back two hundred years, and make the veto of the Crown a reality. It is hardly credible that the Labour Members. for instance, can really wish to see the House of Commons, in its present condition, supreme, whatever Government is in power; many of them frankly admit that they do not, and that a reform of the House of Commons is far more pressing than a reform of the House of Lords. In this respect, practically all members of the House of Commons, in their individual capacity, are agreed; incidentally, it may be remarked, that the very fact that the Goddess of Party can so bind men to her chariot wheels that they will vote for a resolution, opposed not merely to all common sense, but to their own private views, is a striking instance of the danger of allowing her to control, without any check, the whole legislative machine of the British Empire.

Where, of course, there is a sharp dividing line is in the action to be taken when the House of Commons has been really reformed; the Labour Members and the Extreme Radicals believe that a House of Commons can be obtained, which will not only faithfully reflect what has been termed the "settled opinion" of the majority of the nation, but will be able to carry out, without danger to good government, without any injustice to any individual or class, clearly, concisely, and efficiently, the work of putting into operation, by means of legislation, the logical result of that opinion, whatever it may be. We do not believe that such a Chamber can ever be obtained, and we base our belief on history; therefore, we are anxious to retain a second Chamber under any circumstances.

Though I imagine that the majority of Unionists would admit the desirability of a modification of its powers, in the event of a real reform of the House of Commons; for the moment, however, such a possibility is almost outside the range of practical politics; the Radical Party are almost as hopelessly compromised on the question of the Reform of the House of Commons as they are on the question of the House of Lords; a real reform of procedure in the House of Commons would mean that the excuse for not passing the drastic "social reform," which they profess to desire, would be taken away, and in that case the "Plutocrat" mortgagees would certainly foreclose; the reforms already initiated by the present

Government, and heralded by the customary blare of trumpets have, if they have effected anything, tended to increase the Cabinet's autocracy at the expense of the rest of the House. Therefore, for the time being, the duty of the Unionist Party is clear; they have to consider whether the House of Lords is well-suited to perform the task of overhauling legislation, which circumstances have set it, and, if not, what reforms are necessary. If we do not falter in this duty, I believe we shall command not merely the support of many who do not ordinarily owe us allegiance, but of many who now actually support the Radical and Labour Parties. In this case, as in many others, the recent remark of Lord Milner at a public meeting that "Unionists cannot complain of what the Government is doing for them" holds good. Radical Party have left the gate open. There is a very real chance to-day for the House of Lords, with the assistance of Unionists, thoroughly to modernise the machinery of its constitution. That machine has lately done some good and sterling work to the satisfaction of the public; its renovation and overhauling would be a far less difficult or lengthy task than some people seem to imagine; it is only its extreme supporters and its bitterest foes who regard such a reform as impossible.

In the first place, such a reform need not affect the essence of the hereditary principle; a favourite catchword of Radicalism is "No one can really find a defence for the hereditary principle." Not only do I maintain that that is not true, but if it were, its only logical sequence would be the abolition of all hereditary offices; and yet no present day Radical dare propose the abolition of the Monarchy; and why? It is not only on account of the great personal popularity of His Majesty the King, but because the public is satisfied that the hereditary principle, at its best, is of real value to the nation. Hopelessly undemocratic though it may seem to say so, there

is yet some truth in the old statement that there is an hereditary instinct in legislation as in other things; if, however, a Peer proves by his continued neglect of, or his unfitness through misconduct for, his legislative duties, defenders of the hereditary principle should be the first to endeavour to prevent him from retaining a seat in the House of Lords. The fact that persons of bad character and persons who never attend the House from one year's end to another can still remain Members of the House of Lords is really a gratuitous "give-away" to the Radical Party. It enables the latter to make a big case out of a small point in their favour, since the proportion of Peers of evil repute is probably neither greater nor less than that of other classes, say for example, Radical Tub-Thumpers, while the number of Members of the House of Commons who flagrantly and habitually neglect their duties is not only considerable but includes a very fair sprinkling of Radicals; Members of the House of Commons have far less excuse than those of the "Other Place," since they have voluntarily offered themselves as legislators, and, if they stay away from the House, are deliberately betraying the trust of their constituents. It is, therefore, not impertinent to hope that the Committee of the House of Lords, which is at present considering its Constitution, will devise some scheme for weeding out the legislative unfit. If they do so, they will place not a few of the noisiest opponents of the House of Lords in a decidedly awkward position.

Another very frequently suggested reform is to put England in the same position as Scotland and Ireland with regard to Representative Peers, and at the same time to permit all Peers who are not Representative Peers, to vote for and (if elected) to sit in the House of Commons. The present position with regard to Scotch and Irish Peers, who are not Representative Peers, is anomalous to a degree; they are not allowed to vote at

Parliamentary Elections unless they are Members of the House of Commons, and yet they have no seat in the House of Lords; the present writer, for instance, is the fortunate possessor of several votes in different constituencies, yet should he lose his seat at the next election, he will lose all his votes also. Whatever faults Peers, as a body, may have, it is surely a little hard to regard them as less worthy of a vote than the majority, for example, of the electors of Colne Valley.

More important than either the elimination of undesirables or the extension of the Irish and Scotch system to England, is the question of the representation of selfgoverning dependencies of the Empire and of Roman Catholicism and Dissent. There can be little doubt of the enormous benefit that would accrue to the Empire and to the House of Lords by the creation, on a regular system, of Peers representing the different parts of the Empire. Every Prime Minister of a self-governing Colony ought to have the right, even if in practice he could scarcely hope to avail himself of it, of sitting in the House of Lords while he remains Prime Minister. In the same way, the Head of the Roman Catholic Church in England, of the Scotch Churches, and of the principal Sects of Nonconformity ought during their term of office. whether it be for life (as in some cases) or for a short period (as in others), to be members of the House of Lords.

However strong in theory may be the claims of the State Church to solely represent religious denominations in the House of Lords, there can be little doubt of the practical wisdom of the introduction into that Assembly of the clerical representatives of other Churches. Apart from their number and influence, the different Nonconformist Churches have strong claims, from a Unionist point of view, to representation. The Unionist Policy has ever been, despite what its detractor may say,

in favour of mitigating religious differences. Unlike the Radical Party, it has not relied for its votes upon the amount of anti-Clericalism which it could stir up among the bitterer sections of Nonconformity; it has not tried. either openly or secretly, to pander to the inherited bitterness of the Nationalists of Ireland by talking of an Alien Church.

By recognising the claims of Nonconformity, we might contribute to the gradual weaning of its sturdier sections from the paths of Anti-Imperialism, which they have so long traversed. We should certainly remove much of that feeling of pique, in many cases perhaps of justifiable pique, but yet of pique, which is responsible for so much strong feeling against the Church on the part of Nonconformists to-day.

It is with a good deal of diffidence that I put forward these proposals for the reform of the House of Lords. They are not sweeping reforms, but it is not sweeping reforms that the country asks for. It desires to see the usefulness of the House of Lords increased. that end that the Unionist Party should work, and it will obtain that end more quickly by itself undertaking the necessary reforms, rather than by merely repelling the attacks of a discredited foe.

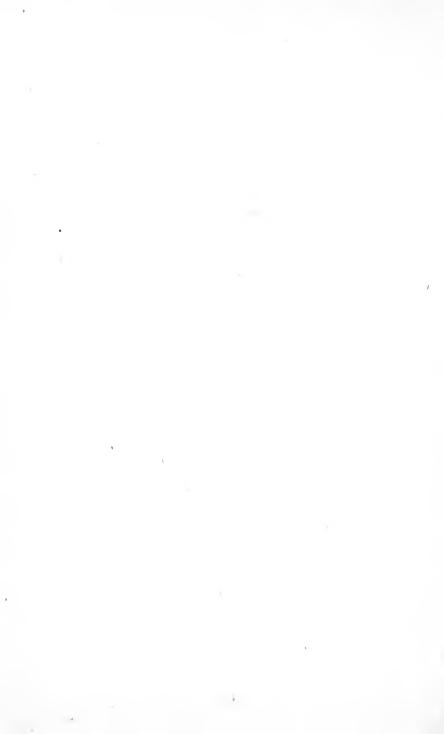
WINTERTON, M.P.



THE PROBLEM OF EMPIRE

BY

THE HON. BERNHARD WISE



THE PROBLEM OF EMPIRE

PART I

Under the New Order a great change is coming upon the world, of which we perhaps cannot yet see the full meaning and direction, from a new conception of the British Empire. The old forms, desires, and convictions are passing away, and the Imperial policy of three centuries is passing with them. The new nations which have grown up beyond the seas live no longer in the ideas of tutelage, but are building for themselves their own fabric of habit and thought, claiming to be uncontrolled masters in their own households, even to the extent of negotiating treaties* with foreign Powers. They resent the implied inferiority of the appellation "Colonies"† and claim that their political dependence Must we, then, upon England cannot continue. in despair, accept the ideal of "Separatism," and see our hopes of union vanish like an unsubstantial dream? Or can we still feel a living faith in the Imperial destiny of England?

There need be no misgiving; for, although the conditions of the problem have been changed, the solution is still the same! Imperial Unity remains, as in the days of those who won and kept the Empire, the goal of all

^{*} Canada has put forward a demand to be consulted in all Treaty negotiations which affect her interest. Australia has done the same in respect of the Pacific Islands. Canada has even negotiated a Commercial Treaty direct with France, giving the latter country that preference in Canadian markets which Liberals affect to despise.

[†] The Conference of 1907 suggested "His Majesty's Dominions beyond the Seas," in place of "Colonies." A "Colony" must be looked upon with a touch of patronage, even under the freest self-government.

British patriotism, even if the method of approach be altered. That which was formerly attempted by the sometimes tactless pressure of the "Mother Country" will in future be achieved by the voluntary alliance of the free nations of Great Britain, Australia, Canada, and Africa! These will approach each other as equals to equals, not as inferiors to a superior; and each, without neglecting the common interest, will try to gain the most advantage to itself from the negotiations, in the belief that the best support to the Empire is the strengthening of its component parts. Australia, for instance, considers that she will be a more valuable Imperial asset when the tariff has developed all her manufacturing potentialities, than if, under Free Trade, she produced only raw materials.

Yet even among Imperialists there is disinclination to admit that the interests of the Empire may be served by decentralising its manufacturing power. The protest of London merchants and exporters against the new Australian Tariff in the present year is an echo of a series of similar protests against every amendment of the Canadian tariff between the years* 1846 to 1886. Such action is wholly inconsistent with the true idea of Imperialism, which recognises that tariffs are framed by the self-governing Dominions to meet their own fiscal and industrial needs, and not in any spirit of hostility to British traders.

"Nationalism," then, is the new force, which Imperialists may guide aright, but which they cannot stem. The days of advice, dictation, and pressure are gone by; and each great Dominion stands apart, in conscious strength, until some emergency like the Boer war brings them together in defence of British Unity.†

^{*} See Porritt's Sixty Years of Protection in Canada (pp. 196-8).

[†] Mr. Dicey, in Law and Custom in England, points out that the Boer War was as truly a contest for national unity as the war against Seccession in the United States. The popular instinct of

The first work of the New Order is, surely to cement these ties of common interest, so that they hold as fast in the hum-drum days of peace as in the emergency of war, by diffusing throughout the Empire a better understanding between the component parts? Only a new spirit can reveal the essential Unity of the Empire to all our race, and create the same compelling sense of nationality, as that which binds together all parts of Britain, although the differences in language between, say, Devonshire and Lanark are greater than between London and Sydney or Cape Town and Toronto. The Empire will not be really united until the Australian or Canadian feels himself, and is recognised by others, to be, to all intents and purposes, as fully an Englishman as though he had been born in Edinburgh or London. On the one side, the Englishman in England must give up his airs of superiority; and, on the other, the Englishman beyond the seas must be less arrogant, suspicious, and parochial. There is at present a shy offensiveness on both sides, which is too often the precursor of family quarrels. Neither wishes to harm the other; but the one is unconscious of giving offence, and the other is watchful for grievances.* And only the handful of men who know the Empire recognise the signs of danger!

Yet it must strike Englishmen that something is wrong when good old John Bull is represented as a greedy usurer in Australian caricature! And on his side, John Bull is equally at sea. He habitually talks of "Our Colonies," and in his heart thinks that the 80,000 "Colonists" who fought with him in Africa were only repaying him for the use of "his"

Australia and Canada recognised, before the politicians saw it, that to permit the Transvaal to pull down the British Flag was the first step towards the dismemberment of the Empire.

^{*} The description of the relations between the English and Colonials in Thackeray's *Virginians* is by far the truest explanation of the American revolt.

fleet and "his" money! Surely, too, the causes of difference or misunderstanding are innumerable between remote countries with diverse and, at times, conflicting interests, when each successive generation is further removed in sympathy from England and more inclined to concentrate its interest upon local matters? True, the old ties remain of race and language; but time and distance are disintegrating influences, which "the crimson thread of kinship" by itself can never hold back. Since the most bitter quarrels are those of kinsmen, we must find some other power than sympathy, divorced from interest, to hold together kindred nations.

PREFERENCE.

This is no place to state the case for Preferential Trade, which will prove as advantageous to Great Britain as to the Dominions; but two considerations may be pressed upon Imperialists (if there be any such) who believe that Preference would create disunion by

bringing divergent interests into conflict.

First, let those who hold these views explain, if they can, why these alarms are never felt outside of England! Surely, it is the most striking argument for Preference that every leader of public opinion in the Dominions, whatever his local party and even though he be a Free Trader, supports Preference as a bond of Union? Who are better able to judge whether Preference would cause friction—the philosophers of the Free Trade Union or the practical Statesmen who will negotiate the Preferential treaties? Outside of England there is unanimity in favour of the view that the ties of sentiment need to be strengthened by the tie of a common commercial interest; because the danger of drift is more apparent to the Dominion leaders than to politicians in England, who gain their knowledge of over-sea

sentiment from after-dinner oratory! Few who understand the Dominions would deny that, at the present critical time, an impulse may be given towards Union or Separatism which will carry the Empire to triumph or destruction. The most far-seeing of the men who know, dare not, in their position of responsibility, acquiesce in a policy of drift. Mr. Deakin, Sir Wilfrid Laurier, and Dr. Jameson all believe that Preference will unite the Empire. Have those who differ from them as to method an equal claim to our support? The argument, indeed, of the alarmist first ignores the fact that the danger of doing nothing is more serious that any risk of misunderstandings from Preference, and then assumes that the negotiators Preference will be unable to overcome difficulties detail. It forgets that the treaties will be Imperial concern, and that Preference, like all expressions of Imperial sentiment, must be considered with a wide and ample outlook on the future, and not in the petty and huckstering spirit which is characteristic of Liberalism.

A second oversight of the Imperialists who oppose Preference is to ignore the lesson of the last Conference by failing to perceive that every scheme for closer union hinges upon Preference; because there is no inducement to concerted action without a common interest. Sentiment alone failed, as it always will, to overcome the vis inertiæ of party leaders. Even such a question as Imperial communications became only a sectional interest; and the qualified assent by the British Cabinet to the proposal for an "all red route" had more the appearance of a sop to Canada than of being a first step in a considered scheme. In fact, the Conference wholly failed to obtain any outward sign of the existence of the Empire. Mr. Deakin vainly tried to get a formal recognition of the equality of the new nations by creat-

ing a Secretariat for Imperial purposes, which should be responsible to the Conference, as representing the Empire, and not merely to Great Britain. Canada, however—inferior to Australia in wealth and resources, and far behind her in political development—has hardly yet thrown off the ideas of the old Colonialism; and Sir Wilfrid Laurier, with an eye on his Parliament, could only see in the proposal a subtle device for enslaving Canada to "Downing Street"! Nor was it possible to reach agreement on any other definite proposal for securing Union.

Can it be supposed that, if Australia, Canada, and Africa had had reciprocal commercial interests with Great Britain, the Conference would have separated with so poor a record of achievement, even making all allowance for the British Government's want of sympathy with Imperial aspirations? Once grant Preference and every other scheme to maintain Unity will have the ground prepared for its acceptance. With Preference the advantages of Union become so apparent to all voters that even politicians will perceive that Union need not involve a diminution of independence. Indeed, the minds of Imperialists should not be open on this question of Preference; for, in Mr. Gladstone's phrase, Preference "holds the field," and no other proposal has yet been made which offers any practical security against the risks of drift and separatism.

THE PROBLEM STATED.

Such, then, is the new problem of Empire and its new conditions: "How, amidst the centrifugal influences of time and distance, can we reconcile the growing demands of Nationalism with the permanent necessity for Union?" As usual, history furnishes the clue. Imperial relations have never been fixed, but always in a state of growth; and, during the nineteenth century,

three different and inconsistent ideals of Empire prevailed at different times in England. Yet each was superseded, when the conditions changed, without friction or difficulty, so that we may reasonably expect that the new ideal of *Nations in Alliance* will take its place in turn as the governing conception of the Empire in the Twentieth century. Let us then examine the ideas which once prevailed.

PART II

IMPERIAL IDEALS.

(a) DEPENDENCY.

The acquisition of the Empire was, as Professor Seeley showed with great elaboration in his "Expansion of England,"* a step in the secular struggle with Spain and France for the trade of the world. "Colonies" were frankly regarded as commercial dependencies, supplying raw material and tropical produce† in return for manufactured goods; while they were forbidden by stringent penalties to manufacture for themselves. Even Lord Chatham, it will be remembered, declared that he would not have the plantations in America make even a hobnail.

The bargain was not entirely onesided,—because, if England had a monopoly of the commerce of the

^{*} Published 1883. This book may truly be said to have discovered the British Empire to the average Englishman. It was the precursor of the Imperial Federation League.

[†] The importance of tropical possessions is often overlooked. Dr. Holland Rose, in his recent *History of Napoleon I.*, points out how greatly the prosecution of the Napoleonic wars was hampered by the difficulty of obtaining coffee, which is to the French as tea is to the English.

Colonies, she at least gave in return the protection of her fleet and army,—but it was irritating, and to observe its terms in their spirit demanded superhuman tact. tainly the commercial restrictions upon the Americans were a principal cause of their revolt; and the theory of monopoly and dependence never recovered its authority after their success. It began to be relaxed in practice immediately after the recognition of America's Independence; and soon gave way to the principle of placing trade with her Colonies upon a different footing from that with other countries, by means of preferential duties, which enabled England to defeat Napoleon, and was regarded as of unquestionable propriety and wisdom until the victory of Free Trade in 1846. In return for their privilege the Colonies were prohibited from imposing duties on British goods beyond the rates which the Colonial Office deemed necessary for revenue purposes. Even in 1842 Mr. Gladstone and other Free Traders hesitated to abolish the existing preferential duties, and were content to lay down the rule that new ones should not be created. In 1849 the Navigation Acts were repealed, and by 1852 the Colonies had been deprived of all Preference in British markets, which they had enjoyed for nearly half-a-century. By way of compensation they were empowered by the British Possessions Act (9, 10, Vic. c. 94) to pass such enactments with regard to trade and duties as were best suited to their conditions and reeds.*

^{*} Canada, which suffered greatly from the abolition of Preference, made the first use of her fiscal freedom to raise the duties on English imports. Deprived of the British market she, next, sought an outlet for her goods in the United States; and the Elgin-Marcy Treaty gave reciprocity between the neighbours from 1854-66. When, however, the industries of each country developed on the same lines Reciprocity was doomed and the Treaty could not be renewed. The search for a new market began afresh. The party system of Canada dates from this contest. The Free Traders, mindful only of immediate pecuniary gain, advocated annexation to

These changes of theory and practice, which to us seem revolutionary, appear to have passed almost unnoticed at the time. It is indeed, surprising that none of George III.'s ministers or critics saw with the same clearness as the King that the success of the Americans meant the break-up of the Empire in its then existing form. George's letters and conversation were always of "the Empire," and he was almost alone in recognising that the Empire was the source of England's strength. These resolute convictions placed him at the head of his people during the protracted and unhappy contest; but scanty justice has been done to him for thus espousing the popular cause. His error, which even Burke shared, lay in not foreseeing that an Empire, based on absolute commercial dependency, was unnatural and impossible; but he had grasped that idea of Union which, after many vicissitudes, is still inspiring the labours of devoted Englishmen in every quarter of the globe. And if we would realise how far the old King's faith in England placed him in advance of his contemporaries, we have only to recall that his critics of the following century could offer nothing but Separatism as the alternative policy. George's ideal is now vanished and his error is apparent. It is with his opponents that we have to reckon, in order to preserve from the menace of their timid greed not only England, but the ideas of order, liberty, and progress which the British Empire represents.

the United States; while the Protectionists, looking to the future, wished to develop the home market, in order to attract immigration and make "Canada," as was said by a leader of the movement, "England in America." The Imperial spirit, which stirred Buchanan, Sullivan, John A. Macdonald and other founders of the "National" and "Protective" policy, animates to-day both political parties; and Sir Wilfrid Laurier, succeeding to office in 1896, has taught his party to forget the American and Free Trade sympathies of its early days.

(b) SEPARATISM.

Here we inevitably enter dangerous ground, and run the risk of being involved in the bewildering smother of party strife. For it is furiously denied by those whom Imperialists consider their opponents that any of them wishes to disrupt the Empire; and they

declare that "Little Englandism" is a bogey.

Yet it is certain that, when the ancient commercial system of the Empire was abandoned at the bidding of Free Traders, a considerable party in England and the Colonies concurred in thinking that England had no further interest in keeping the dependencies, and that it would be better to abandon them. It was argued in England that if the Colonies were no longer valuable on account of the commercial advantages to be derived from their possession, it was wasteful to spend money on their defence; while some Colonists began to wonder, whether, if they were no longer to enjoy their former commercial privileges in the markets of the Empire, they derived any real benefit from a continuance of the Imperial connection.* Nor has this unquiet spirit ever been laid to rest, although it does not express itself now in the old terms. There are still those in England and the Dominions who are uneasy at the Empire, and have no clear vision of its future. Yet the Empire is an existing fact,-the greatest perhaps of modern times,-and its meaning must be mastered before we can apply ourselves properly to social problems. Accordingly, it is important to arrive, if we can, at an understanding of our opponents' attitude towards the Empire, and to analyse the fundamental differences which lie between us.

Now, it can hardly be denied that there is a real difference of aim and ideal between Imperialists and their opponents which causes a radical divergence

^{*} See Earl Grey, Colonial Policy of Lord John Russell (vol. 1, p. 10).

of opinion and policy. A small but active party in England and the Dominions honestly believes that a little community, like Holland, is most conducive to happiness and welfare. To men who hold this view the Empire must be a mere name, and not a living reality. Without misgiving they would see South Africa Dutch, Canada independent, and Australia parcelled out between the Germans and the Japanese. Not that they would advocate these changes, but they would view them without alarm, and certainly not feel that there was any pressing duty on themselves to prevent them coming to pass.

And even when we find our opponents having a belief in Empire they seem to us to form a wrong idea of what the Empire means. They regard it as having only a materialistic value, and, like political troglodytes, linger in the ideas of the Sixties, that the Empire is merely a field for adventure, a hiding-place for ne'er-doweels, and a provider of billets for the upper middle classes. They seem ignorant that the Empire is at once the extension and the safeguard of Democracy; that it gives a stimulus to enterprise and the sense of duty, which is felt through every channel of our national life; that as a laboratory of democratic experiment it must always be a counterpoise to wealth and privilege. Thus even from the less extreme opponents of Imperialism we must require answers to the old questions: "What is the Empire and what should it become?"; "What is its present and prospective value to civilisation?" No other answer has yet been given than those of the "New Order"—namely that "The existence of the Empire is reconcilable with the self-government of all its parts," and that "The full development of their self-government is reconcilable with an increase of Imperial strength and authority!" In this view Selfgovernment and Empire cease to be antagonistic ideals.

because each only reaches its complete expression by means of the other.

Suppose, then, that we come to an agreement as to the meaning and the aim of Empire, we have still to carry our opponents with us in Imperial policy. And first we must extort an admission that some sort of active policy is necessary to the realisation of the Imperial ideal before we can agree upon its lines. Mr. Deakin, in a speech in the Commonwealth Parliament, has stated the position very forcibly.

"Either," he says, "you must believe that Empire and Unity are only possible by maintaining our present fragmentary and isolated conditions, which give relations of good fellowship so long as amity continues; or you must believe that our condition is unstable, untrustworthy, and unpermanent, and that it requires to be replaced gradually, but surely, by a more complete organisation of England and her daughter communities."

The alternative is a policy of drift, and, again, Mr. Deakin warns us.

"The circumstances of the world are being transformed. Its means of communication are changing and annihilating distance. Its people are varying in their aims, and their armaments are altering. We are confronted by a constantly changing situation, which must be met, if we wish to preserve our consistency, by a constantly changing attitude, adapted to the new circumstances that we are called upon from time to time to meet. If the world moves and we stand still, we none the less by our inaction take the responsibility of a decisive course.

These last words contain the whole argument for action—"If the world changes and we stand still, our inaction becomes decisive action,"—and are the dividing

line between Imperialists and their opponents. If only the forces of progress and development would stand still, it would indeed be a happy world for all those who are still mumbling the incantations of dying superstitions.

Thus we reach the parting of the ways! If, as has been argued in the preceding pages, no step towards Union can be made without Preference, then the contest is between Preference and a policy of drift. In this we cannot hope for an easy victory or to win by direct assaults; for we have to undermine a long tradition and expose a consistent theory. Free Trade is the enemy; because the crude dogma of Free Imports is the pervading force of Little Englandism. In the obscure psychology of that odd creed Free Trade is an illuminating fetish, which sheds the beams of universal peace upon a warlike world. The devotees of this absurd dogma know neither race nor patriotism, and measure the prosperity of a nation by the magnitude of its foreign trade! Yet they seem to themselves to be priests of a holy faith, which they preach with a fanatical enthusiasm that defies argument and makes many converts!

The connection between Free Traders and Little Englandism is of long standing. The sagacious founder of the sect, Richard Cobden, not only hated the "Colonies," which he regarded as a greater encumbrance than the National Debt, but foresaw that the disruptive tendencies of Free Trade were the most potent influence to destroy the Empire.

"The Colonial system," he wrote in 1842, "with all its dazzling appeals to the passions of the people, can never be got rid of except by the indirect process of Free Trade, which will gradually and imperceptibly loose the bands which unite our Colonies to us by a mistaken notion of self-interest."

And again he said:-

"It is customary to hear our standing Army and

Navy defended as necessary for the protection of our Colonies—as though some other nation might otherwise seize them. Gentlemen, where is the *enemy* that would be so good as to steal such *property?* We should consider it quite as necessary to arm in defence of the National Debt."*

At least the writer of these phrases lacked that historical imagination which is the essential quality of statesmanship. Yet his words and arguments are accepted as an oracle by Little Englanders to-day. The Liberal party indeed has suspended the right of private judgment on the fiscal question, since Richard Cobden locked its conscience in his office safe. Its members have accepted Free Imports as an article of faith, and act as if the world has stood still since 1846. They count it as a virtue that they would not give a slice of bread in exchange for the settled Unity and welfare of the Empire; and, being Free Importers, are indifferent to the Colonies, unless, indeed, one of them should take up arms against Great Britain, when their ostentatious affection overflows. President Roosevelt might have had in mind this section of the English Liberal party in its relations with the Empire when he penned these words:-

"To men of a certain kind trade and property are more sacred than life and honour; of far more consequence than great thoughts and lofty emotions, which alone make a nation mighty. They believe, with a faith almost touching in its utter feebleness, that the Angel of Peace, draped in a garment of untaxed calico, has given her final message to men when she has implored them to devote all their energies to producing oleomargarine at a quarter of a cent less a firkin, or to importing woollens for a fraction less than they can be made at home. These solemn

^{*} The Political Writings of Richard Cobden (pp. 242-3. Edit. 1886).

prattlers strive after an ideal in which they shall happily unite the imagination of a greengrocer with the heart of a Bengali Babu!"

Apt as these words are to the class of doctrinaires whom Mr. Roosevelt had in mind, they are certainly not applicable to Mr. Cobden, whose reputation as a patriotic and sagacious Englishman stands too high to be tarnished even by the dulness and stupidities of his professed disciples. Cobden, like Mr. Chamberlain, contended in his day for wider markets and increased employment, which then, as now, were the pressing need of England.* He did not, it is true, foresee either the growth of the British Empire or the closing of Continental markets; but he adopted the policy which was then available, and gave England a long start over her competitors, which, for a time, realised his

^{*} It must be remembered that 1846 was not 1907, and that a theory of commerce which is now, when it is not fallacious, a mere patchwork of platitudes, could then be accepted as a working rule by men of sense and patriotism. Free imports in 1846 were practically equivalent to Free Trade; and, at any rate, gave that outlet for British goods which was necessary to give employment to British labour. The slightest consideration will show how greatly the conditions have altered. In 1846 England was the undisputed mistress of the world's trade. The start in the race was so great that no one could believe she would be overtaken. She alone had hereditary skill in industrial arts, acquired while her competitors were being ravaged by war. She had supreme control of the sea, and stores of iron and coal in proximity to each other. She was the workshop of the world; and the idea that her manufacturing supremacy could ever be assailed would have appeared a fantastic dream to Cobden and his associates, in whose eyes England would always be the manufacturing centre, exchanging her finished products for the raw material of other countries. Free Trade in this view was to be the instrument for the commercial enslavement of foreign countries to Great Britain. According to Cobden, "The effect of free trade in corn will be this:—It will increase the demand for agricultural produce in Poland, Germany, and "America. That increase in the demand for agricultural produce " will give rise to an increased demand for labour in those countries, "which will tend to raise the wages of agricultural labourers. "effect of this will be to draw away labourers from manufactures "in all those places. To pay for that corn more manufactures

expectations. He never anticipated any injury to British agriculture, believing, as was the case in his day, that, even if sufficient wheat could be grown abroad to threaten the English industry, the cost of transport was prohibi-Consequently he frequently assured the landed interest that "not a single acre" of English land would be put out of cultivation by the abolition of the Corn Laws; but that, on the contrary, the home demand for wheat would be increased by the greater prosperity of the manufacturing hands. These forecasts were realised until scientific discoveries in the Seventies practically annihilated the distance between America and England. In the same decade Germany began the campaign against the commercial dominance of Engand which is still being waged by every European country and by the United States. The Empire at once became a more

it takes no account of the future development of new industries or the necessity for a powerful country to be self-supporting. Con-

[&]quot;will be required." It is a pretty forecast expressed in the pseudoscientific form which was at that time popular. But the other nations had been left out of the reckoning. Neither their statesmen nor their people were content to remain for ever the "hewers of wood and drawers of water" for the manufacturers of England. Free Trade might have all the effects which Cobden anticipated; in which case they would fight Free Trade with hostile tariffs. And, later, when science had so cheapened the means of communication as almost to annihilate distance, the organised power of the State would, by subsidies, railway rates, and bounties, aid its merchants and producers to resist the overwhelming power of England. Is it conceivable, if Cobden had foreseen that Free Imports, so far from "drawing away labourers from manufactures in Germany and the United States," would have had precisely the opposite effect of stimulating manufactures in those two countries, that he would not have reconsidered his opinions? For no one can read a page of Cobden's writings without perceiving that he is altogether free from the dogmatic pedantries of the Cobden Club. No, 1907 is not 1846. Free Imports were an ideal system so long as England could continue exchanging manufactured goods for raw material. While she was the workshop and the United States the wheatfield all that could be desired was unfettered facility to deal!

The doctrine of Free Trade only regards the present or the immediate future. That is to say, it regards the exchangeable value of commodities now in existence or soon to be produced; but

important factor in the commercial situation, and farsighted patriots, who had never abandoned hope, spoke openly of Union.

(c) IMPERIAL FEDERATION.

The extravagances indeed of the Separatist party—Lord Dufferin, for instance, on his appointment as Governor-General of Canada, was advised by Mr. Lowe to establish Canadian independence—produced the inevitable reaction. Some bolder spirits met together, under the presidency of Mr. W. E. Forster, and established the Imperial Federation League, in which Sir Frederick Young, of the Royal Colonial Institute, was for many years the moving spirit.

The object of the League was "to secure the permanent unity of the Empire by some form of federation," and,

sequently its central dogma that "Imports are paid for by Exports," while in one sense a platitude in another is a mischievous delusion! Obviously no foreigner sends us goods for nothing, and in this sense an Import must be paid for in the long run by some Export. But it makes a vast difference to the well-being of a community of what kind are both the Imports and Exports. The postulate of the Free Trade theory is that the goods with which Exports are paid for are of a different class from those which are exported; in which case there is a co-operative division of employment between the two countries. But the situation entirely alters when a purchaser pays the vendor in goods which the latter himself produces. When we could send cotton goods to France in exchange for silk, the Free Trade theory was satisfied; but what if France sends other cotton goods to England by way of payment? There is then instead of a co-operative division a competitive identity of employment, and the postulate of Free Trade is gone. Nor can the possible consequences of this competition be overlooked, since it may be ruinous to home industries in the importing country. Similarly it matters a great deal what kind of goods a country exports. Their value is no test, or a gold or mineral country, which is notoriously the least developed, would be at the apex of civilisa-tion. If through foreign competition home labour is driven from the higher to lower grade industries, the country as a whole must suffer. And it is noticeable that of recent years there has been a large increase in the Exports from England of slop apparel and cheap furniture.

to this end, to be "a society of men of all parties to advocate and support the principle of federation."* It was formally established on November 18, 1884, under the Presidency of Mr. W. E. Forster, who was succeeded by Lord Rosebery. After an existence of nine years the League was dissolved, having, in the opinion of the Committee, "reached the limits of its effective action."† Its methods were purely educational, and aimed rather at arousing interest in the Empire and providing a rallying centre for Imperialists than at framing or supporting any definite scheme of Union. These objects were achieved in England, where the operations of the League, aided by the Conference of 1887\$ and the Jubilee of 1897, certainly diffused a sentiment of loyalty to "the crimson thread of kinship" (to quote Sir Henry Parkes' gorgeous phrase), and brought the Empire into general favour. But by a strange perversity the League antagonised the Colonies, who saw an attempt upon their liberties in its very title! indeed, the methods of the League were not easy of comprehension to those in whom interest and sentiment had quickened the desire for Unity, and who, therefore, did not need to be reminded of the Empire. To the Colonists the British fleet was plainly a security for peaceful growth, while the ties of their early associations

^{*} Resolutions passed at a preliminary meeting held on July 29, 1884, the Rt. Hon. W. E. Forster in the chair.

[†] I am indebted for these particulars to the courtesy of Mr. J. S. O'Halloran, C.M.G., Secretary of the Royal Colonial Institute.

[§] So little was the importance of the first Conference appreciated, that even such an Imperialist as Sir Henry Parkes (of whose Cabinet the writer was then a member) appointed private persons and not members of his Ministry to represent New South Wales. Indeed, so little interest was taken in the proceedings that neither the instructions to the representatives nor their report were discussed in either Cabinet or Parliament, if indeed they were even read by any Minister or Member!

made the idea of separation inconceivable. Thus, in their eyes, the League's educational work attracted less attention than the definite schemes for Union, which, put forward by irresponsible speakers, acquired a fictitious importance in the cabled summaries, by reason of having been adumbrated at the League's meetings. Nor were members of the League—of whom many were those most misleading of all guides to Colonial sentiment, the returned Colonists—always sympathetic towards Colonial aspirations. Thus "Free Trade within the Empire" was advocated without regard to the fixed policy of the Dominions to develop their own resources by means of tariffs, or to the difficulty, under Free Trade. of obtaining revenue in a young country. The League, in fact, was the last and best expression of the old Colonialism, under which the "Mother Country" claimed superiority and Colonists accepted their dependence. "Colonists" who despised their homes and regarded everything "Colonial" as inferior,* could accept compliments from Englishmen without resenting patronage, which became insupportable when the healthy spirit of Nationalism had evoked a new patriotism. The League. consequently, did wisely to disband in 1893. done its work in England, and the very hostility which it aroused in the Dominions was forcing the progressive spirit into the channel of Nationalism.

(d) NATIONALISM.

The first recognition of the new force of Nationalism by an English writer was in Mr. Richard Jebb's "Studies in Colonial Nationalism," published in 1905. It is not too much to say that this book first explained to English readers the Empire which Professor Seeley had

^{*} All who lived in a "Colony" during the "Eighties" will recognise a numerous class which has now almost disappeared.

discovered for them twenty-two years earlier. Mr. Jebb thus describes the contrast between the old and new ideals:—

"The popular attitude (of the Dominions) towards the Mother Country is becoming different in kind to that which prevailed a generation ago. Colonial loyalty rooted in the past is steadily giving way before national patriotism, reaching to the future. As the evolution proceeds the Empire is valued less for its own sake, and more in proportion as it subserves the interests and ideals of separate nationalities."*

This new spirit finds expression in various ways. First comes resentment against the "patronising paternalism, unmitigated by the sympathy either of knowledge or of intuition, which remains the frequent vice of British Imperialism," and of which the attitude of the Liberal party towards the Transvaal and Natal are recent instances. Next it asserts the obligation of national defence.

"Colonialism requires the Mother Country to take every risk and spare no expense in securing the whole Empire from invasion or loss; but refuses to admit any active reciprocal obligation on the part of the Colony. The national view is the antithesis of the foregoing. Its basis is the national sense of self-respect, which chafes under the feeling of dependence upon the favour of others. It feels the degradation of living upon sufferance. It regards efficiency for national defence as a primary obligation, the recognition of which is as essential as any literary education to the welfare of the citizen. Within the Empire national sentiment is uneasy

^{*} Studies in Colonial Nationalism (p. 1).

so long as imperial protection is enjoyed while the corresponding responsibilities are not fulfilled."*

And the ultimate goal towards which this new spirit reaches is to shed the status of a Colony and be acknowledged as an equal in the Council of Nations. To this end alliance with Great Britain upon equal terms becomes a political necessity.

But, it may be asked, what assurance can there be of permanent unity between the contracting nations? And the answer must be that this largely lies in faith! As responsibilities are realised and duties more regarded than rights, the obligation to preserve the Empire as a civilising force will be generally recognised as paramount. Self-interest, which, in the Dominions, manifestly quickened the sentiment towards union, impels England, maybe with less force, in the same direction.† The commercial value of the Empire to Great Britain is great to-day, and would increase under a system of Preference; and though we may admit that there are classes in England who are not individually happier or wealthier by reason of the Empire, yet we can justly claim, in Mr. Dicey's words, that:—

"There is a kind of sentiment which it is extremely hard to express in terms of utilitarian philosophy. Imperialism is to all who share it a form of passionate feeling; it is a political religion, for it is

^{*} Ibid (pp. 103-4). The Commonwealth Parliament has adopted the principle of compulsory service, which found its best supporters in the Labour Party, and has also resolved to make a beginning of naval defence by an Australian fleet.

^{† &}quot;The maintenance of the British Empire makes it possible, at a cost which is relatively small, compared with the whole number of British subjects, to secure peace, good order, and personal freedom throughout a large part of the world. In an age, further, of huge military States it is of the highest importance to safeguard against foreign aggression the free commonwealths. The day of small States appears to have passed." Dicey's Law and Opinion in England (p. 453).

public spirit touched by emotion. . . . Enthusiasm for the maintenance of the British Empire is a form of patriotism which has a high absolute value of its own, and is both excited and justified by the lessons of history."*

Such are the ideas and methods of the "New Order"; and, if at times we are impatient at their slow acceptance, we may recall that when England was in the grip of the pedant sixty years ago, such thoughts as those expressed by Mr. Dicey were inconceivable. They would neither have been appreciated nor understood. historical habits of thought have burst the fetters of the Benthamite philosophy and prepared the mind of England to accept an Imperial destiny. Yet the progress of thought is slow, and the rejected beliefs of the last generation of educated men are still the intellectual pabulum of Board school pupils. Those, however, who would repudiate the responsibilities of Empire grow fewer every year, as anti-Imperialism loses its philosophic basis and becomes the patter of a political party. For a

. . . Nor ought it to be forgotten that the power of a nation does not depend merely upon the amount of physical force it can command, but rests in no small degree upon opinion, moral influence; in this respect British Power would be diminished by the loss of our Colonies to a degree which it would be difficult to

estimate."

^{*} Ibid (pp. 454-5). Earl Grey, writing in 1852, had a glimpse of these ideas. "I consider," he says in The Colonial Policy of Lord John Russell (p. 11), "that the British Empire ought to be maintained, principally because by the acquisition of its Colonial Dominions, the Nation has incurred a responsibility of the highest kind, which it is not at liberty to throw off. . . . Supposing it were clear (which I am far from admitting) that a reduction of our national expenditure could be effected by withdrawing our authority and protection from our numerous Colonies, should we be justified for the sake of such a saving, in taking this step, and thus abandoning the duty which seems to have been cast upon us?" In another almost prophetic passage, recognising that the day of small States is past, he writes:—"The possession of a number of steady and faithful allies, in various quarters of the globe, will surely be admitted to add greatly to the strength of any nation. . . . Nor ought it to be forgotten that the power of a nation

time, indeed, the English Labour Party is anti-national and tied to Free Trade; but the divorce of such incompatibles cannot be far distant. It is but a step from protecting labour to protecting the goods which the labourer produces; for it is idle to put down sweating by Act of Parliament and allow the free entry of sweated goods. Nor can the higher intelligence and wider outlook of the Australian Labour Party fail to influence their comrades in Great Britain.

Above all we must remember that the success or failure of Imperialism depends on its constructive policy, which must be democratic. The union of classes in Great Britain is a condition of the Union of the Empire, in which sectional interests must be absorbed in the wider interests of the race. Imperialism, in short, must march with Democracy, after the pattern of the over-sea Dominions, where Democracy rules untrammelled by privilege or tradition, and Imperialism living faith. Cheapened intercourse by steamer or cable and the other materialistic devices for securing union, which are dear to minds of a certain class, are useful accessories in their way, but they cannot serve as an alternative to the informing spirit of Imperialism, which alone makes Union possible through sympathy and knowledge.

B. R. WISE.



HOME INDUSTRY

BY

E. G. SPENCER-CHURCHILL



HOME INDUSTRY

Production is the rock upon which the strength and vitality of any lasting nation is founded.

It is true that certain cities like Rome, Constantinople, and Venice flourished for a time without production, and amassed great wealth through conquest and commerce, but they owed their prosperity to ephemeral conditions

which they could not perpetuate.

Rome may be regarded as the headquarters of the police of the world, but her freefooders—whole hoggers in this case—brought about her ruin by converting her sturdy agriculturists into "a parasitic and poverty-stricken rabble," who cared for nothing in comparison with their doles of free food. Thus she became dependent on foreigners for her food and her soldiers, and fell.

As for the once great trading cities, they were like armies whose lines of communication were always exposed, and it was never long before these lines were cut. The whole of history teaches us that any community which has lost its industries is like Samson without his hair or Wotan without his spear; and this is admirably shown by Mr. Welsford* in his analysis of the way in which economics have moulded the fates of nations.

There was in Pandora's box an unmentioned imp, destined to destroy aggregations of selfish and unpatriotic individuals.

We now recognise him as the bacillus of Free Trade.

To state the Free Trade creed should be enough to damn it in the eyes of all but bankers or merchants with cosmopolitan sympathies.

See The Strength of Nations, by J. W. Welsford.

"No duty must be imposed which could by any possibility benefit any home producer, or which would temper foreign competition, however unfair," says the Free Trader.

"Every individual should do his utmost to get rich quickly, absolutely regardless of the effect his efforts may have on his countrymen."

"The government in these matters must play the part

of a sphinx."

Here, in all its "simple beauty," is the doctrine of the orthodox Free Trader. It preaches a narrow and hidebound individualism, and expects a nation to become great, prosperous and happy, through universal selfishness instead of through universal patriotism. It teaches that so long as you can buy the products of other nations with your services and the money earned by your fathers, there is no need to cultivate your territories, to set up factories, or to take any measures to protect those you have from capture or decay.

Every profitable industry is in truth a purse of Fortunatus; but, says the Free Trader, "look after the gold and the purses will look after themselves; so long as the foreigner employs you to do his banking, his fetching and carrying, so long as he employs you to provide him with the motive power for his industries, he will pay you

well with the products of those industries."

Doubtless: in the same way that the farmer pays his horses with the food their labour has helped to produce.

Any nation which is content to fight modern hostile tariffs with free imports must tend to sink to a position analogous to that of the horse, while the protected nation rises towards that of the farmer.

It would be far more accurate to speak of these tariffs as sieves instead of walls, for they offer very little hindrance to the entrance of raw material into the country they protect, but the meshes are ever being contracted to exclude foreign labour, in the shape of manufactured articles.

As Herbert Spencer explains in his "First Principles," growth and change follow the line of least resistance; hence a country with a tariff sieve tends to import ever rawer materials and so to occupy a more highly developed industrial position.

An example is given by the modern history of England and Germany.

In 1880 Germany was, comparatively speaking, industrially undeveloped, she had very little capital, a light soil, no special advantages, and a population of forty-six milions. In that year she finally turned her back on the blessings of Free Trade, and adopted a scientific tariff.

England, on the other hand, was the workshop of the world.

Most of the great inventors had been English. She had a highly developed system of railways. She was immensely rich, and she alone possessed that much belauded system they call Free Trade.

What is the present state of the trade between the two countries?

In the *Times* of October 4, 1906, appeared a translation of an extract from the German Blue Book on the foreign trade of Germany for 1905.

The following is an extract:-

"The German customs union imports from Great Britain, especially raw materials and semi-manufactured goods for industrial purposes . . . Especially noteworthy is the large export to Great Britain of woollen unprinted piece goods, which is more than three times the amount of the imports of similar goods from Great Britain."

From the figures given, we learn that we export to Germany some £8,500,000 worth of raw and combed wool and woollen and cotton yarn, and only £1,100,000

of finished piece goods and fabrics, while Germany sends us £9,300,000 of finished textiles.

The other principal items in Germany's exports to us were £7,000,000 of sugar, £1,250,000 of prints, £1,450,000 of hardware, £1,000,000 of toys, and £650,000 of pianos, while we sent her £5,400,000 of coal, and £830,000 of machinery.

This means that we sent Germany the machines which harness the powers of nature, the coal or the condensed forces of nature which we cannot replace, and the raw material, whose value is often increased five times or more by the operation of these other imports, and then sold back to us.

It reminds me of the time during the Boer war when detachments of regiments were sent out into the veld to drive in sheep, which were then handed over to the cold storage company and sold back by them to us at a large profit; and yet most of those who were so scornful over the business methods of soldiers were Free Traders.

We see the effects of the same forces when we survey long periods of the trade of modern England and Germany. Compare the average returns for the five years 1882-1886 with those for 1902-1906.

During the first period 28.4% of Germany's special imports were manufactures, and during the last only 19.7%.

During the first period 19.9% of our general* imports were manufactures, and during the last this had risen to 25.2%.

At the same time, Germany's total special imports increased by £176,500,000, or 114%, while our total general imports increased by £168,800,000, or 43.3%.

The same tendencies are conspicuous in the export trade of the two countries.

Our special imports of manufactures are not available before 1891.

During the first period 61.9% of Germany's special exports were manufactures, and during the last this had risen to 66.8%.

During the first period 87.6% of our special exports* were manufactures, and during the last this had fallen to 80.6%.

At the same time Germany's total special exports increased by £115,000,000, or 74.1%, and ours by £82,100,000, or 36%.

Can we wonder that Germany has reduced our long lead to vanishing point, that her population is now sixty-two millions, and growing at the yearly rate of 900,000, or 1.45%, while ours is forty-four millions, and growing at the rate of 420,000, or .95% a year.

In spite of the fact that Germany's emigration is more than equalled by her immigration, unemployment is practically unknown, and our unemployed are only too glad to accept the crumbs that fall from the protectionist's table and to find work there when they get the chance.

Since 1902 the income subjected to income-tax in Germany has increased by 70% and ours by 15%, which is less than our increase of population.

Again, the capital invested in German industrial undertakings in 1904 was $11\frac{1}{4}$ millions, and in 1906 $19\frac{1}{2}$ millions—an increase of 75% in two years. This huge expansion has been contemporary with an increasing tariff, designed to bring about the importation of ever rawer materials, combined with various methods of encouraging the export of manufactures.

Were we to adopt a scientific tariff the proportion of manufactures would decrease in our imports and increase in our exports, and the country would in consequence gain enormously. By a scientific tariff I mean a system of duties bearing some proportion to the amount

^{*} Ships excluded.

of labour which might have been performed in this country imported in each article.

There have been two recent illustrations in the effects of the differential duty on tobacco and of the abolition of the foreign bounties on sugar.

The Brussels Convention came into operation in 1903. Our average imports of refined sugar for the years 1901-03 were 61.1% of our total imports of sugar; and during the years 1904-06, this fell to 54%. Our imports of refined sugar decreased and those of raw sugar increased, while between 1903 and 1906 our exports of confectionery increased by 25%, and of mineral waters by over 50%.

Again, in 1904 Mr. Austen Chamberlain imposed a duty on stripped tobacco of 3s. 3d., leaving the duty on the raw leaf at 3s.

The following is an extract from Mr. Asquith's Budget speech on April 30, 1906: "The curious result.... has been that in two years the stock of leaf in bond has considerably more than doubled, and that of strips has diminished by half."

The volume of our imports was not reduced, but their character was altered, to the great advantage of home industry.

Englishmen had been employed to do the stripping, formerly done by foreigners, but, of course, this counted for nothing in comparison with the offence to Mr. Asquith's fetish, and the difference was reduced to $\frac{1}{2}$ d.

I have noticed that our opponents almost always assume that we wish to reduce our imports; and they are very ready with their assertion that if we reduce our imports we shall also reduce our exports.

No Tariff Reformer wishes to reduce the volume of our imports, but we do wish to alter their character.

Her tariff hardly seems to have restricted Germany's imports, but the character of the trade between England

and Germany is altered, and we now occupy the position of the less industrially developed of the two.

We now import some £150,000,000 worth of "wholly or mainly manufactured articles," practically all of which could be made here.

Of this sum at the very outside seventy-five millionsrepresents raw materials, the remaining seventy-fivebeing what we pay for imported foreign labour.

As there are chronically a huge number of unemployed in England, we hold that this policy of importing foreign labour is unpatriotic, cruel, senseless, and extravagant.

Unpatriotic because it handicaps our industries by curtailing the home market; cruel because it deprives many of our would-be labourers of their livelihood and exposes them to all the miseries which follow in the wake of unemployment; senseless because it leads us to buy a commodity of which we already possess an unusable surplus, and extravagant because wealth which could be retained leaves the country. The purchase of a manufactured article corresponds to the purchase of a sharein a fully developed mine with a short life, while the purchase of raw material is like getting into a mine, thoroughly proved but unworked, on the ground Say we buy from America 100,000 pairs floor. of horseshoes for £2,000 because they are cheaper In a few years the horseshoes (or than ours. what is left of them) are valueless. The £.2,000 on the other hand has assisted the American firms in their competition with ours. It has not grown old in any way, but has probably bought more raw materials and increased many times in value, giving off employment and wages during the process.

Assuming that by our skill and industry we are able to convert an average \mathcal{L}_{1} worth of raw material into \mathcal{L}_{3} worth of manufactures, then had we imported and worked up $\mathcal{L}_{150,000,000}$ of raw materials instead of importing

£150,000,000 of manufactures, the nation would have owned £450,000,000 of manufactures instead of £150,000,000 worth.

Our imports, therefore, remaining the same, we should have been 300 millions a year better off.

Let me take two instances to show the importance of the character of our trade and the comparative unimportance of the volume of trade as a measure of our prosperity.

Suppose we import one million pounds worth of raw cotton from America. We convert it into cloth and it becomes worth 2.2 millions. We send back to America one million pounds worth of cloth to pay for our import of raw cotton and the gain to the country is 1.2 millions.

Now suppose that America imposes a higher duty on cloth than she does on yarn, and so succeeds in altering the character of her imports, i.e., in pushing them down lower in the scale, ranging from raw materials at the bottom to fully finished manufactures at the top.

We then convert our million's worth of raw cotton into yarn, and it becomes worth about £1,350,000.

We send back to America one million's worth of yarn, and we have left £350,000 worth of yarn, which when converted into cloth becomes worth about £570,000.

Thus while the volume of trade was in both cases two millions, the alteration in the character of the trade reduced the nation's profit from £1,200,000 to £570,000.

In the same way, if we imported two millions' worth of raw cotton and paid for it in yarn, the gain to the nation would be £1,140,000 instead of £1,200,000; so that while the volume of trade had doubled, the profit decreased by £60,000.

Again, one cwt. of ingot of brass costs 70s. The value of the raw material from which it is made is 67s. Therefore the labour value is 3s., or 4.3%.

One cwt. of fine lacquered brass is worth 600s., and so the labour value here is 533s., or 88.8%.

Here, if we pay for our import of raw material with fine lacquered brass we make a greater profit than we should by increasing our volume of trade one hundred and seventy-seven times, and paying for our raw material with ingot brass.

Again, if we import £100 worth of goods, and pay for them with £100 worth of ingot brass, we find a market for £4 worth of labour. If, on the other hand, we pay with £100 worth of fine lacquered brass, we sell £89 worth of labour, and though the volume of trade is unchanged, the gain to the country is correspondingly greater.

These two examples are no mere analogies, and they show the gravity of the fact that our excess of exports of manufactures averaged £156,000,000 during the five years 1871-5, and only £99,000,000 during 1901-05.

Our huge excess of imports must be paid for somehow, and we are sending the foreign protected nations yearly vast sums of money imported from our non-manufacturing colonies. To take the case of Germany alone during the ten years 1897-1906 we have sent to her $63\frac{1}{2}$ million pounds in coin and bullion more than she has sent to us.

In spite of our booming trade our adherence to Cobdenism is becoming more expensive, and during the last four of these years we paid Germany thirty-six millions,* a sum sufficient to build eighteen Dreadnoughts. Yet we wonder at the expansion of the German navy, and the difficulty we have in finding money for our own.

This huge tribute is probably accounted for by the facts that we take from Germany every year some twelve million pounds worth of goods more than she takes from us; that we pay a large proportion of her import duties:

^{*} These figures are taken from the German official trade returns.

that we demand nothing from her for the use of our market; and that English capital is being invested abroad.

But what becomes of those child-like axioms that imports of merchandise plus invisible imports are always paid for with exports of merchandise plus invisible exports; that there is no such thing as a nation living on its capital; and that gold does not pass? In other words, barring war indemnities and the winning of gold from the ground, each country will keep the same amount of gold for ever.

There was never a shadow of proof. The nation was simply persuaded to shut its eyes, to open its mouth, and to take what the doctrinaires would send it.

It is probable that we pay even more through the transfer back to Germany and America of their securities formerly held by us, though this is not so easily proved. There are, however, the significant facts that during the ten years 1896-1905 our excess of all imports over all exports as regards our trade with the United States was £933,000,000, and with Germany, Holland, and Belgium £222,000,000.

To my mind President Lincoln put the matter in a nutshell when the tariff was a burning question in America. He said:—

"The matter seems to me a simple one. If we adopt Free Trade it means that we import our goods, in which case the foreigner will have the money and we shall have the goods. If we adopt a system of Protection—or, better, a system of safeguarding our industries and our workmen—thereby manufacturing the goods ourselves, the result will be that in so manufacturing we shall have both the goods and the money."

Of course, these islands must import raw materials; of which the British Empire possesses a far greater supply

than the United States; but if we want to keep our money we must "manufacture the goods ourselves."

Another result of our neglect of the character of our trade is that the amount paid in wages is not buoyant. and the problem of the unemployed sticks to us like the old man of the sea.

On December 3, 1906, the President of the Board of Trade was asked a question in the House of Commons by Mr. Bonar Law, who elicited the following facts: First, that the aggregate of wages paid by all trades reporting to the Board of Trade was less at the end of 1905 than in May, 1903, by £78,000 a week, or over four millions a year; secondly, that during the years 1898-1902 the average unemployment among trade unionists was 3.3, and from May, 1903, to the end of 1905 it was 5.8.

An eminent Free Trader evidently thought these rather awkward questions, and rushed in with another to show that this decrease in the amount of wages paid was contemporary with a large decrease in the number of hours worked. Mr. Lloyd George gratefully admitted the truth of this, blind to the only material interpretation that so much less of the world's wealth was produced in England. In this connection it is interesting to note that of our employed population the non-productive part increased between the years 1881 and 1901 by 42%, while the productive part increased by only 19%.*

Now with regard to the decrease in wages. Our volume of trade in 1903 was £,903,000,000 and

£,972,000,000 in 1905.

As regards unemployment, our average volume of trade for the years 1898-1902 was £,841,000,000, and for 1902-1905 £,932,000,000.

Hence a decrease in wages of four millions a year was accompanied by an increase in volume of trade of sixty-

^{*} Times, August 16, 1906.

nine millions, or of £1 3s. 1od. per head of population, and an increase in unemployment of 2.5% by an increase in volume of trade of ninety-one millions, or of £1 7s. 3d. per head of population. Free Traders who believe that all must be well because our volume of trade is great and increasing are like a general who relies solely on the numbers of his men, and who never stops to find out if they can shoot, or makes any inquiries concerning the enemy.

When the Free Trader says that an average duty of 10% on foreign manufactures, and, in fact, all duties, are a restriction on trade, which is the life blood of the country, he usually thinks he has given a complete and crushing answer to our case; but, as I have tried to point out, portions of our trade, such as the export of raw materials and the import of manufactures, are sources of vast wealth to the foreigner, involving corresponding losses to ourselves as a nation, however profitable to individual Englishmen. The mere cessation of such trade would mean in our case a gain of industries.

By means of a scientific tariff we should alter the channels in which this trade now flows to others which would increase to the utmost the wealth of the country. In any case, to say that tariffs are a restriction on trade is worse than useless for the Free Trade cause.

The dam at Assuan is undoubtedly a restriction on the waters of the Nile, which are the life blood of Egypt, but it has caused thousands of acres of wilderness to blossom like the rose, and it has been the making of modern Egypt. As regards the merchants who make their living by distributing foreign manufactures, the exporters of raw materials and the bankers, they might be called upon for some temporary sacrifice, but no pack of wolves in which the mothers were not prepared to give their lives for their young, or the individuals to co-operate and make some sacrifice for the common good,

would long continue its existence. Under the pressure of unrestricted foreign competition it may be more profitable for a manufacturer to sell his machinery, to convert his factory into a storehouse for cheap imported goods which he formerly made, and to become a distributor of foreign produce; but what is best for an individual is not necessarily best for the nation. Though it may be true that under a given set of circumstances every individual knows better than any Government what is best for his own immediate interests, yet under a system of laissez faire such as ours the nation may not prosper.

The function of the Government should be to regulate circumstances so that the interests of the individual and of the nation lie in the same direction.

The individuals would soon discover the best way to further their interests under the new conditions, just as a chameleon changes its colour so as to obtain the greatest degree of invisibility when its environment is changed. In Herbert Spencer's words: "Any existing species, animal or vegetable, when placed under conditions different from its previous ones immediately begins to undergo certain changes fitting it for the new conditions."

Thus, under a scientific tariff the distributors of foreign goods would soon be distributing English made goods, or manufacturing them themselves. The exporters of raw materials would soon be selling to their own countrymen, and the bankers would be reaping just as great a harvest on business between London, Glasgow, Halifax, and Melbourne as formerly between London and Hamburg, and sharing the increased prosperity of the nation.

Again, the individual cannot be expected to realise that in buying foreign manufactures below cost price he is in reality accepting a bribe in return for his aid in furthering the defeat and disappearance of home industries. It is not the individual's business to fathom and foresee the commercial strategy of rival nations.

A manufacturer is a mere tactician, whose view does not extend beyond his own immediate contest.

We must have strategists, for otherwise there is no combination, and we are defeated in detail.

The Government should perform the duties of the commander in chief, but they are entirely neglected by our Free Trade rulers, whose motto should be: "Whatever is, is best."

"But," says the orthodox apostle of Free Trade, "you can only operate through prices. You can only benefit manufacturers by raising the prices at which they sell their goods. If you do raise prices, disaster; if you do not raise prices your proposals are a fraud and a sham." And the people's defender grows warm with virtuous indignation.

A pretty dilemma. I have some acquaintance with the arguments and the logic of Free Trade politicians, and of all the specimens I have yet come across this betrays the greatest ignorance.

The profit a producer makes on each article he sells is simply the difference between the amount it costs him to produce it and the price at which he sells it. If, therefore, we reduce the cost of production by 1s. we benefit the producer to exactly the same extent as if we had raised the price at which he sells by 1s.; and our proposals would reduce the cost of production by increasing the amount of production, and by obtaining the money wherewith to lighten the burden of taxation in this country.

Science and invention are, and have been, advancing by leaps and bounds. Now that machines do the work which formerly would have employed thousands of men, it becomes more than ever necessary, in order to hold one's own in the industrial strife, to obtain these machines.

Practically speaking, the more concentrated and the

greater the capacity of these machines, the higher their efficiency; and this is one of the chief reasons why modern industrial enterprises tend to amalgamate.

Again, to produce most economically, it is obvious that these machines must be kept constantly running at as high speed as possible, for when still they are paying no interest on the capital sunk in them. But large machines constantly running at high speed imply a large output. Hence the factor which now eclipses all others in the cost of production is the amount of the production, and it is increasing in importance with the march of science and invention.

No manufacturer will produce goods for the sole benefit of the moth, the mould, or the rust, therefore the greatest efficiency necessitates a large market. Thus it has become far more important to sell a larger quantity of goods at a smaller price than a smaller quantity at a larger price.

Hence our foreign rivals have an immense advantage in their competition with our manufacturers, for the latter have a free market of forty-four million Englishmen only, while the German has a free market of sixty-two million Germans, plus forty-four million Englishmen, or 106 millions in all; and the American has a free market of eighty-three million Americans plus forty-four million Englishmen, or 127 millions in all.

We do not fear foreign competition on fair terms, for we believe the English workman to be as good and a bit better than any foreign workman, but we are now severely handicapped in many ways.

Considerations of patriotism apart, it is more profitable for an English manufacturer to put up works abroad than to extend his works at home, and this is exactly what has been taking place.

The English investor has been acting on the same principle. According to the latest report of the Com-

missioners of Inland Revenue, our interest on foreign investments was 66.1 millions in 1904-05 and 73.9 millions in 1905-06, an increase of 7.8 millions. Capitalize this at 5% and we see from this consideration alone that in one year 156 millions of English capital have gone to develop other countries and to employ other workmen.

The importance of a large output accounts for the great efforts made by modern nations to get a foothold in each other's markets, and this is why manufacturers have two prices, one for the home market and a cheaper one for a foreign market.

Dumping is merely the evolution of this policy.

The home demand of any country is not always constant, nor does it progress year by year in an arithmetical or geometrical series, but it increases with a bound, and then, perhaps, falls back preparatory to the next leap forward. Now the manufacturers in Germany and America always make every effort to supply the whole home demand. Consequently, when that demand falls off they have two alternatives.

They can either blow out some of their furnaces and discharge some of their workmen or reduce their hours, or they must dispose of their surplus goods abroad.

The former course, as we have seen, means reduced efficiency, not to mention the difficulty of re-engaging their trained workmen when the tide rises again; while by disposing of their surplus products in our free market they make individually a larger profit, they draw money or its equivalent from our country to theirs, they deal a heavy blow at their English rivals, and they are ready to meet the home demand as it increases.

Free Traders seem to believe they dump because they love us, that when they sell us goods below cost price they make us a clear present of the difference between the sum they charge us and the sum at which the goods would be normally sold by our manufacturers. "It is really very

good of the foreigners to dump," says the Free Trader. "Our only fear is that the poor generous fellows will not be able to do it for long, as their altruism must shortly be their ruin." Free Traders are not much given to applying their arguments to foreigners, and it does not seem to occur to them that the individual dumper should know how to manage his own affairs most profitably; but presumably he is forced to dump owing to his protective policy.

Let us examine the effect of dumping on the individual

dumper's profit and loss account.

I will take a personal instance, as it is typical of the rest.

I recently brought out a book, and the first question to be settled was the number of copies to be printed. I did not expect to dispose of more than 500 copies in England, but hoped to sell some in America. My publisher told me that freights, duties, agents' fees, etc., would consume most of the profit on every book sold in America, and gave me the following estimate:—

Five hundred books could be produced at 3s. 7d. a book, and 750 at 2s. 9d. a book. I decided to sell in

England at 10s. 6d. a book.

Now if I have only 500 printed and dispose of them all at home, I make a profit of 3,458s.

If, on the other hand, I have 750 printed and sell 500 at home as before, I realise 5,250s.

I sell the remaining 250 in America at 2s. $2\frac{1}{2}d$. each, and realise 552s.

Thus I receive altogether 5,802s.

My cost of production was 750 multiplied by 2s. 9d., or 2,062s.

Hence my profit on this latter method is 3,740s., or 282s. more than on the first.

So it comes to this:—

By increasing my production by 50% and selling the

increase at 20% below cost price, I augment my profits by 8%.

Our pity for that benighted protectionist, the poor generous dumper, seems somewhat misplaced.

The maxim, "Buy in the cheapest market and sell in the dearest," is not the acme of wisdom, even as regards the individual, leaving out all consideration of its effect on the nation.

In the first place it may be more profitable to sell a greater quantity of goods at a cheaper average price, than a smaller quantity at a larger price, owing to the reduced cost of production.

Secondly, the man who buys in the cheapest market (i.e., dumped goods) is blindly defrauding his countrymen, and at the same time merely borrowing on very bad terms.

It has been urged that nearly all these dumped goods are raw materials for some more skilled trade.

In other words, what is a manufactured article for one man is a raw material for another, and so it is impossible to impose a duty on any of these things without seriously damaging all our trades.

To take a hypothetical case, the foreigner who dumps rivets may be harming our rivet makers, but at the same time he is greatly benefiting our boiler makers.

The boiler makers certainly get cheap rivets, but at the expense of their compatriots who make rivets.

In the same way pirated music and stolen goods are cheap, at some one else's expense.

Again, we only get rivets cheap so long as we make them at home. The moment competition is extinguished the foreigners will put up the price, and the boiler makers will have to pay through the nose for the want of foresight and the cosmopolitanism of their Government.

The price of rivets would have risen considerably, but what capitalist would be rash enough to sink his money in erecting a rivet factory in England with this proof of the defencelessness of the position he would occupy before his eyes.

Next would come the boiler makers' turn.

They are now handicapped by dearer raw materials, and what is to prevent the foreigner from dumping boilers?

It may similarly be argued that this would be an excellent thing for the ship-builders, but where is the line to be drawn? One industry would decay after another, in the same way that mortification will spread from the feet upwards. It is a suicidal policy for the head to neglect the feet, and for the more highly skilled industries to neglect the less highly skilled. I admit that strictly speaking raw material is a comparative term, for wages are spent in the production of everything except sunshine and rain, and it may be argued that such articles as Bavarian pencils and American locomotives are the raw materials of the clerk and the railway director.

We must, however, put no duty whatever on the staples of our industries, such as raw cotton and wool, for by doing so we might divert some portion to the countries of our great commercial rivals, whose manufacturing capabilities are so elastic.

With regard to partly manufactured articles, if we could make a permanent contract with the foreigner to the effect that he would always dump certain goods at the same price there might be something to be said in favour of the system from our point of view; but this is far from being the case.

Herein lies the fallacy in Bastiat's brilliant parable of the candle makers who asked for protection against the sun.

Whether we have anything to give the sun in return or not, he will always supply us freely with heat and light; he will never raise his price.

As it is, this dumping is merely an ingenious gambit, played against us with great effect.

In welcoming these cheap foreign goods we are taking in a second wooden horse—another Grecian gift.

The workman who cannot sell his labour owing to our importation of cheap foreign goods is merely another Tantalus; and the cheaper the food and commodities the more tantalising his position.

Cheapness is a will-o'-the-wisp, which should not be

pursued directly.

Free Traders, like Nebuchadnezzar, were more than indignant when a small minority refused to worship to the sound of sackbut, psaltery, dulcimer, etc., the golden image of cheapness which they had set up. They could not cast us into the burning fiery furnace, but they were no less bitter.

Just lately we have not been suffering so much from dumping, because there has been a great boom in trade all over the world, and foreign industries have in many cases been unable to increase their output sufficiently rapidly to supply the home demand.

During the four years 1903-1906 the actual increase in America's foreign trade was practically equal to ours, and relatively, of course, far greater. Germany's was both actually and relatively greater, while the increase in the home trade of both these countries was little short of the miraculous.

Again, the proportion of the imports of the United States and of each of the European nations (Spain, Norway, and Sweden excepted) bought from this country, to that bought from all other countries, is a rapidly diminishing quantity; but many people expect that with our free imports we should be able to hold our relative position in the great neutral markets of the world.

This, however, is not so.

According to a return published by the Board of

Trade on March 27, 1906, our average exports to China and Hong-Kong for the five years 1900-1904 were greater than those for the five years 1890-1894 by 20.2%; Germany's increased by 81.2%; and those of the United States increased by 175.6%, and were actually £1,011,000 more than our corresponding increase. During the same periods our exports to all South America decreased by 2%, Germany increased hers by £2,530,000, or 35.1%, and the United States by £1,772,000, or 25.3%. These figures again illustrate the immense advantage of the manufacturer who supplies the larger market, and to some extent the efficiency of the methods of the German Government for encouraging the export of manufactures.

There is perpetual war between the competitive instruments of production of different nations, but the capture of one of these by a rival does not correspond to the capture of a prisoner, for a prisoner cannot be made to fight against his own side. It corresponds rather to the capture of a gun, as it gives its captor the advantage of the larger buyer of raw material, it increases his production, wealth, and population, while it correspondingly decreases those of the nation which has lost it.

It is true that in this warfare there is no bloodshed. Armies of men are not wiped out in a day, but with the disappearance of an industry the population that industry has created disappears, in the same way that lions disappear with the game on which they fed. The law is the same, vae victis.

Is not the drawn-out misery of unemployment worse than a quick and glorious death in battle?

Unemployment saps a man's self-respect, his energy, and his physique; it destroys his character and his happiness; it is the high road to vice and crime; and the unemployed tend to become unemployable.

They were not born so, as Free Trade politicians would seem to believe. The great majority, however, of our unemployed struggle hard, and they are more than ready to take temporary jobs offered them by our protected

rivals when the opportunity presents itself.

Consider the danger these unemployed would be in a war with any European country, when the price of bread would probably be trebled or quadrupled.

Consider their cost to the nation in time of peace.

Say there are a million unemployed, as is sometimes the case.

They and their families cannot be allowed to starve. This means that about five million souls must be supported by the nation; nor does it seem an excessive estimate when we remember that the Prime Minister told us there were thirteen millions perpetually on the verge of hunger.

Assuming that each person costs 5s. a week, we see the nation is losing sixty-five millions a year; but this does not nearly represent all the loss, for these men should be earning on an average at least £15 a year each, or fifteen millions in all.

Thus the money loss to the nation is eighty millions a year, or each unemployed man costs the country £80 a year.

This thirty-four millions we spend yearly in poor relief, and these charitable doles are but parasitic palliatives.

They are like applications of caustic to a cancer.

Charity as a remedy for poverty and unemployment is like a glass of water to men perishing of thirst in the desert. By stimulating home industries we should smooth the way to the streams and a land flowing with milk and honey.

A fair handicap attracts and stimulates competitors. In the same way, the adoption of a scientific tariff would attract and stimulate manufacturers. Many industries would rise from their tombs, and many would return from their banishment. We should make this £150,000,000 worth of manufactures and more at home, and unemployment would only be heard of in connection with the bad old days of Free Trade.

Free Traders who fear the consequences of our remedy are like the bathers who remained under water for fear of the rain. They have only one medicine for unemployment. It is summed up in the word "emigrate." If they are to remain the nation's accepted advisers it is certainly the best advice possible; but think of the inconsistency of it.

Here we have these eminent pseudo-scientists saying: "This is the only spot in the world enjoying a sound fiscal system. Any form of Protection must mean disaster for you and for the nation, but we cannot find you a means of livelihood here, and we recommend you to go and live in a protected country."

Trade Unionist Free Traders are equally inconsistent. They combine to further legislation, enforcing a certain standard of comfort among workers in England. This means they will not allow a body of Englishmen to accept smaller wages and a lower standard of living, and so to undersell themselves. They have no power to prevent this happening abroad, and so they protect their labour against their compatriots, but not against the foreigner.

In the same way, however, that to compete with low-living Englishmen they would have to descend to their standard, under our present system they will be forced eventually to adopt that of their foreign rivals.

Imagine two great countries, both about equally developed industrially, and both importing the bulk of their raw materials. The first is a Free Trade country, whose laws enforce a high standard of comfort among her workers. The second becomes ambitious and accepts a lower standard. Her manufacturers undersell those of the first country, whose output decreases. That of the second increases and her cost of production is again lowered.

Her companies pay better dividends. The bankers and the rich men of the first country invest their money in the second, where new factories spring up in consequence. The factories in the first are abandoned: in other words, they have migrated to the second. The workers follow the factories, and within a generation their feeling for the first is not unmixed with contempt.

The second puts the screw on the first, and without firing a shot can reduce her to a thinly populated agricultural country, whose towns and fields are the watering places and the playgrounds of rich foreigners.

In order to save herself, the first country had to con-

tinue to produce.

This could only be done in one of two ways.

She could either alter her laws, and accept lower wages and the same standard of comfort for her workers as the second, or she could impose protective duties.

These are the alternatives before the Trades Unionists. Again, Free Traders say any form of protection would make the rich man richer and the poor man poorer.

Another ponderous blunderbuss from the Free Trade armoury—a weapon which was brought out and paraded with great effect before the people, "mighty and wise," at the last election—a weapon which the Free Trade medicine men believed would always blow the arguments of their opponents to smithereens whenever produced. On examination, however, it turns out but a "nasty thing to bust."

This is the fiscal system under which the rich man becomes richer and the poor man poorer.

The poor man's sugar, tea, and tobacco are taxed 32, 70, and 500% respectively, while the rich man's luxuries come in free.

Our workmen are now competing with each other for jobs, and this enables the capitalist to obtain labour more cheaply.

In other words it tends to prevent wages from rising, and the rich man profits accordingly.

Were our manufacturers competing for labourers, the reverse would obtain; for wages, like everything else, obey the law of supply and demand.

It does not seem that Protection makes the poor man poorer.

Witness the rapidity with which the poor man in Germany is becoming richer. The deposits in the German savings banks are 650 millions, and growing relatively and actually far faster than ours, which only amount to 200 millions; and the German insurance societies during 1885-1904 paid in compensations for accidents and sickness and in old-age pensions, a sum of 228 millions.

Again, the fiscal system of one particular country does not affect the rich man. He has the pick of all the fiscal systems of the world under which to invest his money.

Money travels with the speed and the ease of a cable-gram, and by investing his money abroad the rich man gets the advantage of the double market. There are no tariffs against money; but with the poor man it is far different. His stock-in-trade is labour, the export of which these hostile tariffs are designed to prevent.

Free Traders will do nothing to reduce the protective palisades of our foreign rivals, and decree that our workers shall continue to be shot at in the open. Napoleon made his opponents burn their books on tactics, and Mr. Chamberlain will yet make his burn theirs on economics.

The question is not, shall we have a tariff, or shall we have no tariff, for we now take more per head of our population in import duties than any other country in the world.

The question is, shall we continue to impose tremendous duties on food, drink, and tobacco, i.e., on raw materials and articles we cannot produce ourselves, or

shall we distribute those duties more evenly and tax foreign manufactures. At present, in accordance with the gospel of Free Trade, the whole supply of all these things is taxed, so that there is no home competition and the consumers pay the whole of the duty.

The duties we advocate would be imposed mainly on articles we do produce in England.

Thus the whole supply would not be taxed, and competition would force the foreigner to pay his share.

It is impossible to lay down a law as to the effect of an import duty on price, but there is no doubt that when the untaxed supply is a large proportion of the total supply, the importer pays a large proportion of the duty, and the price is raised by a correspondingly small amount.

Again, tariffs attract industry, and the untaxed supply is an ever-increasing quantity. In fact, the effect of a duty is sometimes so to stimulate production that the supply outruns the demand and the price is lower than before.

In any case, however much prices are increased owing to import duties, the foreign importer never gets more for his goods on balance than he did before. Hence the nation buying the goods never loses money.

Our present rulers say they fear vast increases in any duties we impose, and retaliation.

The first argument is that of the sot who dare not take a glass of wine lest he should find himself unable to stop: but if the country finds that these duties have the terrible effects which our opponents say they anticipate, surely the tendency would be to reduce rather than to increase them.

As regards the fear of retaliation, there are some people who are by nature timorous, and it is interesting to read Mr. Morley's and Sir Charles Dilke's speeches on the awful and inevitable disaster that must overtake the

army which re-conquered the Soudan under Lord Kitchener.

But why should the foreigners retaliate?

Because they would be displeased, presumably.

Again, why, if not because they know they would have to pay a large proportion of our import duties as we now pay a large proportion of theirs, and that our industries would prosper at the expense of theirs as theirs have been prospering at the expense of ours.

Of course, the foreigners are terrified lest Tariff Reform should prevail. To hint Mr. Chamberlain's success to them is like mentioning the police to burglars engaged in business; but our Free Traders think they would at once

fall upon us and annihilate us.

They forget that the wolf does not spare the lamb because it is careful to drink below where he is drinking.

Foreigners are retaliating against us now, by continually raising their tariffs. They are doing their utmost to capture our trade and our industries. When they are making their commercial treaties among themselves, they by no means forget our "most favoured nation clause," and if we took back our power of negotiation and retaliation, what could they do then that they cannot do new? In matters commercial the buyer is king, and on balance we are an enormous buyer.

But has it come to this, that we dare not do what every other nation has done; that as a commercial nation we exist on sufferance?

What does the Free Trader's advice amount to but this: "Let us lie still, lest the foreigner kick us harder than he does at present."

I have not been contending that in Cobden's day, when we were the workshop of the world, when we had what practically amounted to a manufacturing monopoly, we were wrong to adopt free imports. It may be that we seized an opportunity for a brilliant sally, with the added chance that our rivals might be persuaded to fight in the open; but, like Harold's soldiers at Hastings, we did not know when to return.

The battle is by no means over, but our progress, such as it is, is the result of momentum acquired many years ago. We are wearying, both mentally and morally, and like King Arthur's army at the battle in the mist, we do not seem to be able to distinguish between our rivals and our friends.

This cosmopolitanism, which always accompanies Free Trade, is the sickness at the soul of the nation.

Tariff Reformers would persuade Englishmen to give a preference to Englishmen, and establish co-operation

among all the subjects of the King.

A scientific tariff, combined with Imperial preference, is the remedy for all our evils. Away with this short-sighted selfishness and with the fears and fallacies with which it is upheld! Let us cultivate again the spirit which made England great, and which alone can keep her so.

"Come the three corners of the world in arms, and we shall shock them; nought shall make us rue, if Eng-

land to itself do rest but true."

E. G. SPENCER-CHURCHILL.

FOREIGN POLICY

BY

T. COMYN-PLATT



FOREIGN POLICY

When it is remembered that upon the friendly relations existing between England and other nations of the world depends the peace and prosperity of the Empire, it is extraordinary the apathy, not to say ignorance, that too often prevails as regards questions

of foreign policy.

From some points of view this attitude of mind undoubtedly has its compensating advantages, for if Foreign Ministers were obliged to show their hand at the call of every inquisitive politician, diplomacy would become a farce, and, relatively, treaty negotiations impossible. At the same time, however, public interest in foreign affairs, if unstimulated, must, in course of time, lapse altogether, with the result that when the occasion arises for a show of national Government of the day runs the risk of losing public support by reason of the fact that little or nothing is known of the matter in dispute. However thoroughly such questions, as they arise, may be discussed in Parliament, it must never be forgotten that the High Court of Appeal is the electorate who, uninstructed, very naturally, when asked to adjudicate, incline to a policy of peace.

It is, therefore, of the most vital importance that politicians should lose no opportunity of educating the electors in matters of foreign policy, for it is by such means, and by such means alone, that the bray of the

Peace-at-any-price Party can be stilled.

There is a very widespread belief amongst public men

that international questions are only interesting to the better educated classes of the community; that, as regards the masses, nothing is of any account outside the pale of social politics. Never was there a greater mistake of judgment. The audience does not exist that refuses to be enlightened on international subjects, if only the speaker can express himself sufficiently plainly.

Too often is it the case that the Member or Candidate ignores the subject altogether, for the reason that he himself knows little about it. And herein lies the main cause of popular ignorance to-day. For truth of the assertion one has only to follow the debates in the House of Commons on such occasions as when the Foreign Office Vote is discussed, and it will be realised how few members there are sufficiently interested, not to say competent, to enlighten their constituents on questions connected therewith. And how is this apathy and lack of information to be accounted for? The explanation is twofold. In the first place, it has become almost a Parliamentary axiom that discussion of such matters demands expert knowledge; and, secondly, that international questions involve the most abstruse inquiry. this latter respect, one is reminded of Lord Palmerston's reply to an inquirer who asked his opinion as to the Schleswig-Holstein Succession. "There were three people," said the Prime Minister, "who could have satisfied your curiosity. One is dead, the other is a lunatic, and I have forgotten all about it." It is perfectly true that questions do now and then arise which entail something more than the ordinary superficial inquiry. But politicians should remember that the Electors look to them for instruction, and if a Member or Candidate feels himself incapable to undertake the task, popular ignorance of such matters will never be dispelled.

But to return to the first objection, namely, that special qualifications are required,—all such ideas are entirely fallacious. Once the main principles governing our attitude towards Continental Powers are grasped, principles as vital to-day as in the past, and the study of foreign politics will be found to present as few difficulties as the investigation of home affairs.

In order, therefore, to throw a little more light upon what, after all, is the most important side of our national existence, it will be necessary to sketch briefly the history of British foreign policy from the earliest times.

In dealing with this particular subject, the impression is very general that our foreign policy not only changes from year to year, but that it is the result of accidental circumstances. Nothing could be farther from the truth. Ever since the days when William the Conqueror first set foot on these shores, the policy of British Ministers has been substantially the same, though the methods of carrying it out have varied. Indeed, in view of our insular position, one line of policy, and one only, is possible of pursuit, a fact realised by every responsible Statesman who has ever successfully steered the British Ship of State.

Broadly stated, our foreign policy is the outcome of invasion. It is well to bear this in mind, the danger being no less possible to-day, for England is still envied by Europe, at whose gates she sits prepared, if needs be, to prevent all commercial transactions with the Continental market and the outside world.

The dread, therefore, of such an eventuality as a hostile invasion has perpetuated a policy which, mutatis mutandis, has never been allowed to lapse.

It was not until Romans, Anglo-Saxons, and Danes had, in turn, monopolised the sovereignty of Britain, that the Normans arrived and welded into one nation the heterogeneous population that opposed their landing.

It may well be imagined that a succession of invasions had left their mark on the minds of the conquered. The misery of war must have been terrible enough, but when to this was added, on each successive occasion, a complete change of language, manners, and laws, the advantages of a permanent Government must have appealed to all. Thus William the Conqueror, having settled in Britain, at once proceeded to make his conquest effective by instituting Norman laws and adopting precautionary measures against future invasions. And so it happened that victors and vanquished joined hands in mutual defence against over-sea enemies.

To this end two main principles were agreed upon: firstly, the creation of a permanent fleet, and, secondly, the formation of alliances with the various rulers who were within striking distance of the coast of Britain. Upon these two fundamental principles our foreign policy is based to-day. When they have been lost sight of in the past, disaster has always resulted; whilst, on the other hand, their re-application has never failed to bring success in its train. A little deeper inquiry into past history will prove the truth of the assertion.

First, as regards the question of foreign alliances. The very fact of the Norman and Plantagenet kings possessing territory contiguous to the land of the Franks was bound to result in constant hostilities.

For three hundred years and more the policy of assisting the Norman rulers in the defence of their own country was strictly adhered to as the best means of safe-guarding our own shores. Nor was this the only precautionary measure adopted. Alliances with the inhabitants of the Low Countries were contracted, to the same end. Thus the lands immediately opposite the English coast presented a "buffer," as it were, to

the advance of our enemies, and British foreign policy was during these years entirely directed towards the maintenance of such conditions.

In the fifteenth century, however, a marked change took place. For years the French kings had been extending their power at the expense of their feudal lords, until at last, more than a match for the Dukes of Normandy, they finally overran and annexed their lands and dependencies.

From this time onwards, the narrow sea alone separated England from her enemies; alliances, therefore, to counteract further French aggressions, being more than ever necessary, were sought for with even greater eagerness that hitherto. Formerly, France was the only quarter from which danger was to be expected. But, as time went on, Spain and Germany developed into formidable powers. British foreign policy, therefore, had to be adapted to the new order of things, and the view taken by Ministers of the period, that the safety of England could best be secured by "pitting" one Power against another, became a fixed national policy.

Herein, we see the germination of that system which was eventually to be known as the Balance of Power, a system out of which has sprung the modern "Concert of Europe."

It was in the days of Elizabeth, however, that the system of Balance was brought to the highest state of perfection. The times were overcast with religious strife: creeds were being written at the sword's point, and England alone seemed the hope of the Protestant world.

With the two great Catholic Powers hostile to Great Britain, the outlook seemed gloomy indeed. Thus, Scotland was threatened from the coast of France, whilst Ireland was singled out by the Spanish king as a convenient base from which to invade England. But the

Ministers of the Great Queen were thoroughly versed in the policy of Balance.

France and Spain were accordingly played off one against the other, with the result that, in the end, the British Ship of State rode out all the Continental storms that sprung up during a period of forty-five years.

But Elizabeth's death registered a great change in the

Continental atmosphere.

The Balance of Power, so long in the safe keeping of England, was to pass into the hands of the French King Louis XIV., who henceforth became the arbiter of Europe.

For an explanation of this state of affairs, it is only necessary to study the foreign policy inaugurated by the Stuart Sovereigns, to discover that it was the antithesis of that pursued by the Tudors. Broadly speaking, the cause of Protestantism, so long the special care of England, was thrown over, and henceforth the strength of the nation was placed at the disposal of the Pope and his satellite monarchs.

For a brief space. Cromwell stemmed the tide of disaster; but, at the Restoration, England returned again to the disastrous policy of James I. and Charles I., which amounted as often as not to a total disregard of those fundamental principles upon which our national existence had been built up. Had the Stuarts followed in the footsteps of Elizabeth; had they maintained friendly relations with the Channel Powers, and, by playing off the nations of Europe against one another, preserved the Balance, all might have been well. As it was, at the instigation of Louis XIV., the most unnatural alliances were entered into-alliances which the French King engineered entirely to serve his own ends-with the consequent result that, eventually, a war was brought about between England and Holland, by way of advancing still more his ambitious designs.

It was a disastrous period, and but for the Great Rebellion (1688), the French King might have dictated terms to England, as he had done to Spain. As it was, the country realised in time whither the Stuart policy was tending, and the tide was effectually stemmed.

With the accession of William of Orange, therefore, the foreign policy of the Tudors was again enforced; indeed, by the very nature of things, Holland and the Netherlands became, in his person, united to England; whilst, as to alliances, those Powers who were formerly signatories to the Treaty of Augsburg were again induced to combine, and thus the weapon was forged which could alone check Louis' career of universal conquest.

The times were dark, indeed; but William was a statesman of an exceptional order. No effort, no precaution, nothing was left undone to ensure that the great struggle, when it did occur, should be disastrous for the French King. Thus the British fleet was brought to a state of perfection hitherto unknown; and, what was of still more vital importance, Scotland and Ireland, too often the vantage ground of England's enemies, were reduced to submission, and became, for the time being at any rate, integral parts of the Kingdom.

It will thus be seen that the main principles of national defence embodied in the Tudor foreign policy and scouted by the Stuart kings, were re-established. Then, having armed England with her rightful panoplies of war, William commenced his struggle with Louis for the re-adjustment of the European Balance, a struggle which ended with the Treaty of Ryswick, and which left England once again champion of the Continental system.

But the position carried with it responsibilities which soon became pressing.

His ambitions checked towards Western Europe, Louis XIV. turned his attentions in the direction of Spain, whose king, Charles II., an imbecile, was induced to bequeath his vast empire to Louis' grandson.

This practically meant that, henceforth, French influence was to predominate in the Mediterranean, to

the exclusion of all other Powers.

Such a step might well have aroused Englishmen to a sense of the coming storm, especially as, by this arrangement, Louis acquired far more power than he had been deprived of by the late war. Not, however, until he announced his intention of assisting the "Old Pretender" to regain his father's kingdom did the people of this country thoroughly realise that Great Britain, like Spain, was marked down as a French province.

The success of Marlborough's campaigns in the Netherlands finally dissipated all Louis' hopes, but the spot where the destinies of England were being shaped

to a far more important end was Spain.

The primary object with which England entered into the War of the Spanish Succession was undoubtedly to restore the European Balance. To effectually bring this about, however, the union of France and Spain had to be dissolved, otherwise the Mediterranean, in due course, must have become a French sea.

As England practically possessed the whole carrying trade of these waters, the result would have been disastrous. In the end, England, Holland, and the Empire,—the Allies who fought together in the Peninsula,—were defeated; but when the account of war came to be settled, realising how enormous were her interests in the Mediterranean, England refused to give up Gibraltar, which she had recently captured, knowing full well that, so long as she was in possession of the fortress, her commerce in these waters could never be effectively threatened.

In the possession of Gibraltar, British foreign policy entered upon an extended phase. Henceforth, England constituted herself the guardian of the Mediterranean, which she made up her mind should never be closed against her mercantile fleet. To maintain this position, however, not only was an all-powerful Navy and a strongly fortified base more than ever essential, but alliances were sought for with those Powers situated at the entrance of the inland sea.

But commerce, which had forced England to undertake fresh responsibilities in Eastern waters, was at the beginning of the eighteenth century spreading westwards, a fact which necessitated a still further development of our foreign policy.

It was in the reign of Elizabeth that English colonists first migrated in any numbers to North America.

The Spaniards had early begun to develop the southern portion of the new Continent, although the territories bordering the Gulf of Mexico and the adjacent islands interested them little. It thus happened that this portion of America became almost entirely a British trading ground.

It is unnecessary here to inquire into the various circumstances therewith connected which gave rise to the war with Spain, which took place in 1738—a war in which France and Prussia were soon to join.

In the end, the victory was with England, though nearly twenty years had been required to achieve this glorious result.

It was during this period that the "Seven Years' War" was fought out—a war that constitutes a monument in our national life, in that it laid the foundations of our Colonial Empire, and still further added to our world-wide responsibilities.

From 1763 down to the present day, England's foreign policy has remained practically unaltered.

After years of struggle we re-established our position amongst the nations of Europe solely and simply because statesmen of the day held to those fundamental principles of our national life, which have been evolved, not, as already stated, from accidental circumstances, but in accordance with the laws of our national self-preservation.

And, briefly stated, what do these fundamental principles amount to? First and foremost, our supremacy at sea; secondly, the security of these islands from invasion—a factor which pre-supposes a United Kingdom; thirdly, the integrity of those States situated opposite our Eastern shores; fourthly, unrestricted commercial intercourse in the Mediterranean; fifthly, the protection and development of our over-sea Empire; and, lastly, and by no means least, the conservation of the European Balance of Power. Such, in short, is the Decalogue of our national existence, any departure from which has, sooner or later, brought its political punishment.

In order to prevent this, and to preserve our very principle, the Balance of Power, that drew us into the Continental struggle that culminated in Waterloo. Had Napoleon had his way, the whole of Europe would have been under his heel.

In order to prevent this, and to preserve our very existence as a nation, Pitt decided, at all costs, to draw the threatened nations of Europe into one great alliance against the offender. And here it may be recalled, par parenthèse, that but for the French annexation of Holland (1793), we might have never been more than anxious spectators of the Continental struggle. This step aroused even the most peacefully inclined to the dangers of the situation; the opposite shores of the Channel seemed likely to be occupied by a hostile army. When, therefore, it was discovered, later on, that France

was intent upon forcing her revolutionary principles upon all nations, the people of England, realising this additional danger, felt that war was necessary.

But was it always in future to be left to England to keep the European peace? By our efforts and a vast outlay in subsidies, the Continental Powers had been induced to stand up against the French Colossus. Henceforth, if the nations of the world were not to be continually indulging their ambitious designs, there must be a consensus of effort to preserve the peace. And so it happened. By the Treaty of Vienna, instead of the preservation of the European Balance being the care of any one particular Power, it was decided that a system of concerted action was in future to be pursued for the welfare of all.

Such, in brief, is the history of England's foreign policy from Norman days. How have the principles here set forth been carried out in latter times?

It is the political fashion of the day to maintain that our foreign policy never alters. But it is according to the force employed to uphold the principles involved that the truth of the assertion must be judged. Too often in the past has England stepped beyond the sphere of her direct interests; and, conversely, too often have we allowed our best interests to be attacked without attempting any defence.

As regards the first statement, the occasions are many in which we have meddled, unaided and uninvited, in the internal affairs of Continental States.

It is a strange fact, but, nevertheless, true, that such constitutional propaganda have always possessed a fascination for the English people. Take, for instance, our intervention in the revolutionary struggles of 1834 between Spain and Portugal; or, later on, our interfering policy as regards Italian independence. In

neither instance could the issue, either way, have materially affected our true position in Europe.

Then, too, there was the Polish insurrection of 1863, in connection with which, according to the late Lord Salisbury, the reputation of England received its first "deadly blow."

In these three instances, England was merely actuated by sympathy, which, though doubtless highly commendable from a humanitarian point of view, is hardly a practical attitude to adopt in dealing with questions of international politics. It is all very well to curb the ambition of foreign rulers, but it is quite another thing to constitute ourselves the champion of every State that disapproves of the particular form of government under which it exists.

This is past history now, but the lesson has been but ill-learned, for to-day we are playing the same $r\hat{o}le$ in the Balkans, without the smallest intention, as in the case of Poland, of carrying any scheme of Reforms except by the gentle art of persuasion. We have, by blustering diplomacy, threatened and insisted; the most far-reaching schemes of "better government" are presented to the Sultan, with the only result that the people of Macedonia are inspired with false hopes, which merely keep the fires of insurrection alive.

But this burning desire to intermeddle in the affairs of other nations, is it part of England's foreign policy? If so, and we are bent upon diffusing our ideas and institutions throughout the Continent, we must be prepared to see, not only the walls, but the foundations even of Europe about our ears.

Such are political sins of "commission." There are others, however, of "omission," equally reprehensible, of which our action as regards the Duchies is the most flagrant. By every device, we urged the Danes to oppose the seizure, by Prussia, of Schleswig and Hol-

stein. When, however, it became a question of an appeal to the sword, England was equally insistent that the Danes should forego all that we had encouraged them to demand. In pursuing such a policy, our prestige necessarily suffered greatly; more than this, by blowing "hot" and then "cold," we undoubtedly lost international caste, the effects of which our diplomatists abroad are reminded of to-day.

As a matter of fact, to have gone to war on the question would have been suicidal. The mistake made, however, was in allowing the Danes to believe for one moment that we were prepared, in any circumstances, to further their interests by force of arms. That they did expect this of us is uncontrovertible, and it is equally true that we took every opportunity of supporting the illusion.

But, to come down to modern days, how have we maintained those fundamental principles of foreign policy upon which our greatness as a nation has been built up. Take the present political attitude as regards Ireland? What is the promise of the "larger policy" intended to convey, but the eventual independence of that country. Is the Spanish invasion of 1601-2 forgotten? or the Battle of the Boyne? or the French Expedition of 1798? An independent Ireland would result in our enemies, in time of war, having a base from which to attack us whenever they so desired. Yet this is the end to which a Radical policy is leading us.

Then, too, there is the other fundamental principle of our foreign policy, which deals with the protection and development of our Colonies. Will it be denied that the Government of to-day has taken anything more than a distant interest in the furtherance of such a policy?

It is too often forgotten that it was the inexhaustible wealth of England, the result of our world-wide commerce, that enabled us to defy the great Napoleon;

money, as then, is still the sinews of war. Thus it should be our aim to develop our Colonial Empire by every possible means, for in so doing we are really arming ourselves against the day of battle.

Here, then, are three all-important axioms of our foreign policy which, judging by the trend of events to-day, are considered of but secondary importance by

those in authority.

But there is yet another political symptom, pregnant of even greater disaster, for it directly threatens our naval supremacy. There are influences at work to-day, powerful influences, Socialistic in character, that tend to convince the country, not only that our present maritime forces are far in excess of our actual needs, but that a predominant Navy is, to say the least, a very doubtful necessity. What must be the ultimate tendency of such a policy? The cry has been started, on purely economic grounds, that our fleet may, with safety, be reduced; that it is unnecessarily powerful for our actual needs. Admitted, for the sake of argument, that the contention is correct. idea is allowed to germinate that we are overshipped, it follows as a natural corollary that so long as our maritime supremacy remains unchallenged there will be a growing party in the State anxious to "cut down" still further Naval expenditure. In short, national economies are to be at the expense of the Navy. Such a policy naturally appeals to many, especially if it can be proved, on the slightest evidence, that the safety of the country is not thereby endangered. In time, however, the question of safety is disregarded, and only the purse is considered. And this is the course along which certain politicians are hurrying the nation to-day.

It is impossible within the short space of a single article to do more than give the briefest sketch of

England's foreign policy, but enough has been said to show how we have at times drifted, and are, in fact, now drifting again from the first principles upon which our existence as a nation depends.

In conclusion, it will be well to state broadly the lines upon which we should act in future.

In the first place, it should be our constant endeavour to dissociate ourselves, as far as possible, from European politics. By so doing, we shall not only lessen the risk of being engaged in Continental wars, but, in thus reducing our European responsibilities, we shall be the better able to concentrate our undivided energy and attention on the protection and development of our Colonies.

Again, our interests on the Continent should, so far as possible, be strictly confined to those countries immediately opposite our own shores. The independence of Holland, Belgium, and Denmark must, at all costs, be maintained, and by cementing still further the friendly relations existing between France and ourselves, our position in Europe will be further safeguarded.

Now up to within a century ago, such a policy contained all the elements of success. We were all-powerful at sea; our Army was, at least, proportionate to that of other Powers; whilst, as regards wealth, we were the bankers of the world. Thus, in seeking to further our interests by Continental alliances, we were in a position to offer something in return for that which we hoped to receive. In short, we occupied an exceptional position in the family of nations, of which the several members were only too glad to take advantage.

But how do things stand to-day? An all-powerful fleet is no longer England's unique possession; our Army is lost amongst the mighty hosts of Europe; while, as to wealth, there are nowadays other national millionaires in the world besides ourselves.

It follows, therefore, that, whereas formerly England's support was regarded as a deciding factor in any European war, to-day her national strength is considerably discounted by the increased armaments of other nations. The practical question any nation with whom we wish to form an alliance now asks is, What advantages does an alliance with England offer, over and above that with any other Power? In short, can we give a satisfactory "quid pro quo" for what we hope ourselves to receive?

As Europe is constituted to-day, it would seem that there is but one possible way of so doing, and that is by granting exceptional trade facilities to those Powers whose friendship is vital to our national existence.

After all, the Purse is a mighty force, mightier far

After all, the Purse is a mighty force, mightier far than either the Sword or the Pen, and nations whose commercial interests coincide will, when threatened,

stand together in mutual protection.

Thus, in any alteration of our fiscal system, we should not only consider our Colonies, but a preference, no matter how slight, should be given to those countries situated opposite our own shores, so long as they agree to refrain from alliances detrimental to our best interests. By this means we may reasonably expect to stem the flood that is to-day setting so strongly against us from Eastern Europe—a flood which is even now at the Belgian frontier, and is only stemmed by a paper barrier.

So much for our future policy as regards home waters. But what course should we adopt in connection with the countries of the Mediterranean? No one will deny that the situation in the Near East has, since Crimean days, undergone a great change. In those days Egypt, for instance, was in the hands of the Turk; thus our high-road to India might at any moment have been closed. Again, Germany had as yet laid no claims to a sphere of influence in Asia Minor; Bulgaria was under the

Russian heel, and the Czar's fleet was by no means a

negligible quantity.

All this is now altered. Egypt is ours. Germany is installed, for good or evil, in the Euphrates Valley, Bulgaria is an autonomous principality, whilst as to Russia, should her troops again attempt to occupy Constantinople, the obstacles to be overcome will be sufficiently imposing without the necessity arising for any interference on the part of England.

In these circumstances, then, we may safely retire from the Mediterranean, with all its political cyclones, and leave those Powers who are directly interested in

maintaining the Balance to hold the scales.

It would be well, indeed, if this policy of graceful retirement could be extended to the Balkans and Armenia. On purely humanitarian and sentimental grounds, we took up the cudgels—or, to speak more correctly, we insinuated that we were prepared to do so—on behalf of the Christian subjects of the Sultan. As a consequence we find ourselves to-day on the brink of a European Volcano. And to what purpose? Are we prepared, in case of need, to enforce reforms at the point of the sword? If not, we can but pursue our ends in concert with the other Great Powers, who can retard or accelerate the Reform Coach in accordance as the interests of each is best served, for the crack of the English whip has long ago ceased to hasten matters.

Unfortunately, we are too deeply implicated in Balkan politics to dissociate ourselves altogether from the Near Eastern "impasse." But, at any rate, we can, by giving Austria and Russia the freest hand, pave the way for

our ultimate retirement.

But to come down to quite recent international negotiations. The Agreement concluded between ourselves and Russia is, undoubtedly, a diplomatic experiment, which, judged by past experience, gives

little promise of success. But, however that may be, the results hoped for will certainly not be improved by giving vent to doubts as to Russia's bonâ fides.

We must make up our minds, then, that the Agreement arrived at will most assuredly be strictly and honourably adhered to by both signatories, for in this manner will our best hopes be possible of realisation and the desired results alone attainable. The advantages to be derived from a good understanding with Russia affect most vitally our position, both in Europe and Asia. No efforts, therefore, must be spared to establish between ourselves and the Czar's Government the same friendly relations as at present happily exist between this country and our neighbours across the Channel.

So much for our foreign policy in Europe. But there is still the Middle East to be taken into account: here our Empirical interests are not one bit less important. Until a few months ago, we had for centuries regarded Russia as the one and only menace to our rule in India. It is unnecessary to discuss how far those fears were chimerical or the reverse. The bulk of expert opinion goes to prove that a great deal too much was made out of a very doubtful contingency. however that may be, the disaster to Russian arms in the late war with Japan has at least checked her advance towards the Indian Ocean. And that for two reasons. First and foremost, she is nationally too exhausted to move for many years to come; and secondly, the spell she has cast so long over Asian lands is for ever broken. The effects of the Manchurian campaign have been too little appreciated in England. To the native Indian, however, it has caused a revolution of thought, which agitators have missed no opportunity of fostering, always with the object of creating discontent of British rule. Since the termination of the Russo-Iapanese War. the tactics of such agitators have undergone a change.

Russia had always been regarded as the successor of England in India; but, by a turn of Fortune's wheel, the conquering hero has been vanquished. Thus the native is informed that India must, and can, do for herself what she hoped of others. In short, Russia has lost military caste, and is no longer regarded as being capable of displacing the hated British—even though she wished to do so. A Russian invasion, therefore, is now more than ever impossible, taking into account the present trend of Indian native feeling.

We are thus left free to work out domestic problems with far greater hope of future success, since the native agitator, finding that nothing is to be expected in the way of foreign complications, is thrown entirely on his own resources to raise the wind of revolt. One has only to carry one's mind back a few months to see how formidable, unless quickly suppressed, such ebullitions of political feeling may become.

But although the Hydra has been shorn of a head, he is by no means dead, and if ever it should happen that the Home Government should show the smallest sign of legislative effeminacy in dealing with the Indian native, be he agitator or peaceful subject, most assuredly will the monster put forth his strength again.

There is one very dangerous element in connection with our rule of Eastern people, and that is public opinion at home. Most unfortunately, the vast majority of Englishmen know little whatever about the people their Parliamentary representatives have a hand in governing. No matter how serious the crisis that may have arisen there is always a tendency at home towards lenient action, and this heedless of the consequences. The Secretary of State, unable to discountenance public opinion, instructs his subordinates accordingly, and, too often, it happens that by ignoring the opinion and advice of the "man on the spot," the remedy leads to an

even worse disease. Thus, differences of opinion are continually arising between the Viceroy's Council and the Home Government, not so much on matters of foreign policy, but in connection with social and domestic affairs. It is obvious that in such matters the Indian Council should be allowed the freest hand; instead of which, nothing can be done without the sanction of the Secretary of State, who invariably attempts to cut the Indian coat according to the English cloth.

The colossal mistake we make as an administrative power is in attempting to govern East and West on the same lines. As a matter of fact, oil and water are not more dissimilar, and yet we are for ever trying to mix them. The truth is, as a nation, we are passing through the "milksop" stage; in other words, if by "turning the other cheek" we put off the day of reckoning, we are always prepared to do so. With European nations such a policy is short-sighted in the extreme; with Orientals, it is nothing more nor less than national suicide. There is only one form of Government that the East appreciates, and that is the Sword, and if we are to uphold our Empire in India there must be no hiding it in the Scabbard.

It should never be forgotten that prestige in the East stands for many armies. It is the native belief in our power to reconquer India that alone enables us to hold it. At the time of the Mutiny, we were regarded by Eastern nations as a sort of invincible creation. The peoples of Asia were anxious to live on terms of the most complete amity with us; nothing was left undone to acquire our goodwill. As is always the case in such countries, Might, and Might alone, counts for anything, and if we should ever lose sight of the fact, our position in India will become untenable.

As regards Persia, what need is there, since the late

Agreement between London and St. Petersburg, for any aggressive move on the part of Russia? Practically, she holds the Shah in the hollow of her hand, and, what is still more to her advantage, all the principal trade routes throughout the country terminate or originate in her sphere of influence. The "understanding" was, doubtless, in the circumstances, the best possible to be made. For years past, England had sacrificed every opportunity placed in her way; Russia, on the other hand, never forsook one. Thus, by degrees, and it is to the credit of her diplomatists, she has achieved predominant influence in these lands, than which she desires nothing better.

But if we have lost our footing in Persian regions, we can, at least, hope to save our face, diplomatically and commercially, in those regions to the North of the Gulf.

As previously stated, Germany has acquired a sphere of influence in Asia Minor, which she is doing her utmost to extend towards the Mesopotamian delta, a district which for years has been a British commercial centre. To hope for any assistance from the Porte by way of ousting us is, she now realises, impossible. To attain her ends, therefore, she has practically acquired a monopoly of railway construction in the country, a form of conquest rarely, if ever, known to fail. The latest phase of the situation is the projected extension of the Anatolian line to Bagdad, and from thence to the Persian Gulf. To carry the scheme through successfully, a port, which should act as a terminus, was essential, and had it not been for the decided attitude of the British Government, she would certainly have laid claim to Koweit long ago.

As it is, Germany's project has, at least for the present, been frustrated, for it is useless to think of extending the Anatolian Line beyond Bagdad. Thus we can stay her march until terms of mutual agreement

are arranged. Already we have refused to co-operate, the terms offered not being sufficiently satisfactory. But it is certain that before long the British Government will be again approached from Berlin, and when advances are made, it will be well to have our terms cut and dried. What should they be? It would be impossible to find a better foundation for discussion than the suggestions set forth by Mr. Valentine Chirol, in his masterly work, "The Middle Eastern Question." Speaking of this very subject, he says, "When that day comes," i.e., when Germany invites us to discuss the question of the Bagdad line, "must our reply be an unconditional non possumus?" By no means; all that will be necessary is to see that our "interests are "properly safeguarded—not merely in the railway itself "as a business undertaking, but our Imperial interests "in the regions which it specially affects. For that pur-"pose it may be suggested that instead of seeking to "secure a theoretical equality of rights over a great "trans-Continental railway, along which the interests " of the different parties must necessarily be distributed "unequally, we should try to secure parity of treatment "by the mutual recognition of preponderating interests "in the various regions which it traverses. Germany's "interests, and such French financial interests as are "bound up with hers, centre in Asia Minor. Ours "centre in the Mesopotamian delta. Let us have the "construction, management, and control of the rail-"way, on conditions to be mutually agreed upon, from "the Persian Gulf up to Bagdad, including the branch "line to the Persian frontier at Khanikin. Let the "others have the same rights on similar terms. With "regard to the rest of the line, from Constantinople "downwards, we could push on from our base, whilst "the others pushed on from theirs, and when the junc-"tion was once effected, the whole line could be worked

"on the basis of a joint traffic agreement and for the common financial and commercial benefit of all the

" partners.

"Such a scheme would largely diminish the danger of international friction, and while there would be a complete fusion of common interests such as the creation of a great international highway demands, the special interests of each partner would be localised within the area which afforded the greatest facility for their protection."

Having briefly discussed the policy to be pursued in the Near and Middle East, there are only Far Eastern lands to be considered in connection with British interests. And here it must be realised, once and for all, that the predominance which we have encouraged Japan to assume, has been at the expense of our own

interests.

For all time now she will rule the Eastern seas, a position which must, in course of time, give her overwhelming commercial advantages. At present there is no doubt she is hampered in her stride by money difficulties. But if the Japanese character, during the last few years, has been correctly gauged by Western nations, there is every likelihood that, given time, her finances may be placed on just such a sound basis as is her Army and Navy to-day. When this day arrives, she will most certainly be in a position to compete with us, and successfully too, in the carrying trade of the Far East, a trade which we regard at present as almost exclusively British.

It is difficult, therefore, taking all the circumstances into consideration, to see how our position can be improved in these regions. The most we can hope for is that, by skilful diplomacy, it may be possible to prolong our commercial life in Eastern waters. There is certainly one element in our favour, and that is the

excellent relations that at present exist between Japan and ourselves. How long this state of affairs may last, it is impossible to say. History tells us that treaties are invariably torn up when the object desired has been achieved. Japan, no longer a child, and realising her omnipotence in the East, may cease to attach any importance to an alliance with us. It is very clear, however, that without her goodwill our commercial status in the Yellow Sea would suffer to eventual extinction. Such being the case, therefore, it should be our constant endeavour to maintain, at no small sacrifice, the good relations which at present exist between the Mikado's Government and our own. If we succeed, we may reasonably hope to share for some time to come the trade fruits of the past; if we fail, others will most certainly endeavour to step into the place we once occupied, and if successful in the attempt, British commerce in the Far East will disappear altogether.

In conclusion, there is one other national consideration that is too often lost sight of, and that is the question of our prestige. Too true is it that our European neighbours credit us with very little to-day. The fact is, on too many occasions have we interfered in European quarrels without any intention whatsoever of supporting our objections by force of arms. The question of Schleswig Holstein and our betrayal of Denmark will not easily be forgotten. Thus, in the past, our threats and declamations have ended in apologies and withdrawal.

Further, we have invariably put forth our full strength in dealing with weak States, whilst being very careful to overlook insults which are levelled at us by Great Powers.

In these circumstances, is it surprising that our own valuation is considerably discounted by foreign nations; that our bark and our bite are little heeded abroad?

Napoleon's success resulted, in a large measure, from the fact that he knew exactly what he could *not* do.

Let us, then, try and arrive at a correct appreciation of our strength, as also that of the other nations of Europe. By so doing, we shall be less inclined to intermeddle in Continental affairs; our prestige will be safeguarded, and, in addition, we shall be storing up a fund of strength and energy that will be drawn upon to the full, if we are to maintain our position in the future as a great and powerful nation.

T. COMYN-PLATT.



BY

ALAN H. BURGOYNE



Britons proceed, the subject deep command, Awe with your Navies every hostile land; Vain are their threats, their armies all are vain; They rule the balanc'd world who rule the main.

MALLET.

"OTHER nations which were formerly great and powerful at sea, have, by negligence and mismanagement, lost their trade and seen their maritime strength entirely ruined. Therefore we do in the most earnest manner beseech your Majesty that the sea affairs may be always your first and most peculiar care."—Address of the House of Lords to Queen Anne, 1708.

In the above words we find an ideal concatenation of the thousand warnings flung out through history to the people of the British Empire. And it is well, before entering upon a discussion as to the future policy to be pursued in regard to the Fleet and all that appertains thereto, to realise fully (and to set it down in a manner understood of all) that the integrity of an Empire such as ours—an Empire far-spread around an island Kingdom—has been, is now, and must ever remain vested in the capability of our maritime forces to crush and disperse those of any probable foe. Prestige, national honour, world-position and earthly-power are all entrusted to the keeping of the British Navy.

"There is," wrote Lord Nelson, "no better negotiator in the councils of Europe than a fleet of English lineof-battle ships. If you are strong you may be practically certain that you will obtain rights."*

It is one of the misfortunes of the British constitutional system that the maintenance of the naval and military forces of the Crown should be largely dependent upon the general policy of the particular political party in office. It will be found upon examination into the records of past pre-election campaigns that the claim advanced for popular support has, irrespective of party, generally rested mainly upon promises of financial economy in national administration. This is easily comprehensible, for domestic life is necessarily so wrapped up in considerations of \pounds s. and d. that no more subtle method of approaching the voter could be adopted.

But when it becomes exigent to justify past promises, the difficulties of the Ministers responsible immediately begin. Each suggested reduction is invariably vetoed until but two items remain for consideration upon the national balance sheet-the Navy and the Army. The reasons why the fighting forces are finally and inevitably selected for attack are manifold, but perhaps the foremost is, that they bulk the largest in the public eye; again, the populace do not perceive any direct or tangible result from the huge amounts involved, and ignorance, amazed at the vast sums required, at once presses for a diminution. Expert knowledge in the House of Commons, particularly as regards the Navy, is also sadly lacking—so much so that each year it becomes more difficult to prove the necessity for the heavy expenditure demanded or to convince the members that reductions are impossible. Therefore it is that the Navy and Army are gradually becoming the shuttlecocks of political battledore, and

See article on Foreign Policy.

the far-seeing ask themselves, with increasing alarm, where in the end they will lead us. For if the time should ever arrive (and there are untoward signs that cannot be disregarded) when the fight for political place and power hinges on naval and military questions, as at present it does upon inter-colonial, religious and social problems, then assuredly will those forces automatically decline and mark a dread step in the decadence of the Empire.

It is axiomatic that politics as politics must be kept rigorously separate and distinct from the Navy, and the Navy in its turn must be raised far above the trammels of political bias. Such has it been in the past, and a strong hand might well maintain the status quo in the future. The danger, however, lies not so much with the Navy as with the politician. There has arisen a class of parliamentarian to whom the words Patriotism and Imperialism appear a blasphemy, and these gentlemen are making their way steadily to the front in the ranks of the Radical party. To them as allies have come the Labour section, and lastly that incomprehensible political hermaphrodite, the Socialist Independent, whose one aim in life would seem to be a whole-hearted opposition to everything with which he is not in personal agreement. He is foremost in clamouring not only for the reduction of the fighting forces to a point of danger, but even cries aloud for the complete abolition of armaments, and is cheered in his endeavours by his total nescience of their raison d'être. Behind him he draws an unthinking few; and, ignore these pin-pricks as we may, it were foolish to shut one's eyes to the knowledge that though practical interest in the annual naval debates has not increased, criticism of and complaint against the necessary expenditure has largely augmented.

Yet, whilst insisting on an abatement in the cost of "upkeep" of the naval and military forces, the prole-

tariat, with a paralogy for which it has ever been noted, refuses to consider the expense of those social reforms which it is for ever demanding. This system of robbing the Imperial to advantage the Domestic must in the end involve the twain in one common ruin. Our power to support a navy is at one with the national wealth, just as national wealth in its turn hinges upon the strength of the Fleet. Never did Adam Smith write more truly than when he laid down that "Defence is greater than opulence"; nor is he the only thinker who has realised that the last, though contributing to the first, is with us wholly dependent upon it.

The learned Cicero wrote to his friend Atticus of the preparations in progress for Pompey's campaign against Cæsar, "Pompey's plan is clearly that of Themistocles, for he believes that whoever is master of the sea will obtain the supreme power." This is worth remembering.

Let me remark here, in parenthesis, that if it were possible, which it is not, to maintain a sufficient and efficient Navy for five million sterling per annum I should be the first to oppose the disbursement of a penny more than that sum; on the other hand I would gladly be oppressed by an income tax of 10s. in the pound to maintain an all-powerful Navy, rather than, as the result of neglecting our sea forces, be condemned to submit to the hateful rule of an alien conqueror. It is noteworthy that the much-quoted Richard Cobden, who, in the early part of 1835, expressed grave doubts as to the wisdom of retaining our Colonies, should, when speaking at Rochdale some years later, have said:

"I would vote a hundred million pounds rather than allow the French Navy to be increased to a

^{• &}quot;Consilium Pompeii plane Themistocleum est; putat enim qui maris potitur, eum rerum potiri."

level with ours, because I should say that any attempt of that sort, without any legitimate grounds, would argue some sinister designs upon this country."

We are thus faced with a question of immense importance: How best to safeguard our Navy from the fatal interference of ignorant or base-minded politicians? To diagnose the disease and refrain from suggesting a remedy would be heteroclitic. The first essential is to bring the British public into direct touch with the needs of the Fleet as formulated by the naval members of the Board of Admiralty. It is a fact, uncomfortable, but none the less obvious or true, that statements emanating from the civilian representatives of the premier Service, be they members of the House of Lords or of the Commons, are received by their fellow-members, as well as by the Press and the public, with a degree of scepticism by no means conducive to national confidence. It may be that this discomfort arises through lack of first-hand knowledge of the Navy, for no man speaking of that of which he himself is in ignorance (voicing but the thoughts of others) can command the ready credence of his listeners.

Yet hesitancy in answering fatuous and possibly "catch" questions may well be forgiven, having regard to the inordinate difficulty of finding a politician who combines the three divergent qualities of Naval Expert, Administrator, and Debater; better far for a Minister to admit he is au bout de son latin, than to be pansophical.

In matters naval the straightforward course in Parliament is the wise and the correct one; sophism should here have no place, and more particularly is this so on the occasion of the presentation of the annual naval estimates. In the Ministerial statement accompanying them there must be nothing of cunning or finesse, no room for

double inference, no wrongful suggestion. The Navy is the national insurance, and cannot be drawn into the ever-changing vortex of political tactics. What the British public require, and should be urgent in demanding, is a plain, business-like cash statement of expenditure during the preceding twelve months, with a short survey of the work done; and an equally clear, explicit forecast of the financial necessities of the year to come, with a definite programme of new construction from which in no circumstances will a departure be made. Given the above, and with a special emphasis upon the last few words, a feeling of greater security should be engendered. Further to allay the ingrained distrust of the Civil Lords it is imperative that the First Sea Lord shall issue annually to the Members of both Houses of Parliament, and (through the Press) to the public, a manifesto embodying the opinion of his naval colleagues and himself. This idea has no claim to originality, but until its adoption, either as set out or in a modified form, it is all-important to voice it on every occasion. It would be essential in such event to safeguard effectually the interests of the First Sea Lord, and this might best be accomplished by defining accurately his position at the termination of his tenure of office. Were this done the opinions of his juniors, though they made unpleasant reading for a niggardly Treasury and collusive First and Civil Lords of the Admiralty, would be safely screened behind the name of their senior, against the future of whom no derogatory predications could possibly militate.

Turning next to the formulation of the annual shipbuilding programmes, it may be asserted with every confidence that until the control of expenditure on the Fleet is freed from the baneful influence of Treasury obtrusion and parsimony we cannot hope for reasonable consecution in naval administration.

In a word, a programme having been framed and accepted by competent and unbiassed authorities, it must not be in the power of the Treasury to refuse a single groat of the amount required to carry that programme The country is, of course, not prepared into execution. to accept estimates drawn up solely under the guidance of naval officers, whose general knowledge of high finance is not as a rule on a par with that of their profession; nor could we rely with any degree of certainty upon the judgment of the civilian element at Whitehall, for, even were the shadow of the Treasury removed, there would still remain the ignorance of the true needs of the Fleet, the knowledge of which only a life-long experience in the sea-service can supply. The true solution is to be found in an equitable co-ordination of the two factions as collocated by a third. And this third must be the Imperial Defence Committee.

Co-ordination of a sort does exist at present, but it cannot be successful as long as the ideas of the civilian element are dictated by a rendering of the phrase "Two Power Standard "differing with each successive political party, and further dominated by an illiberal Treasury; nor is it capable of effective development while the naval element is condemned to silence, whatever its opinion of the finally accepted result. Before proceeding to discuss the basis of national strength by which British material advancement should be governed, let me once more emphasise the absurdity of naval estimates, taken as a whole, being controlled by the Treasury. This departfounded originally as an office for checking and rendering of national accounts, has arrogated to itself a power to which it has not the slightest claim.

To allow the naval forces of the Empire, nay, the very existence of the Realm, to be subservient to the parsimony of an impermanent politician, whose one endeavour in the

interests of his party is to economise, is an act as criminal as it is bound in time to be disastrous. If the programme submitted in the first place has been agreed by "competent authorities" to be requisite, the country is courting destruction by permitting the Treasury to interfere with that of which it possesses absolutely no knowledge.

It is at this point that the services of the Minister for Foreign Affairs should be requisitioned by the First Lord and his civilian and naval colleagues. He has, or should have, his finger feeling the pulse of every likely enemy; upon his word depends not a little the disposition and distribution of the Fleet, and it is upon these dispositions and distributions that the Sea Lords will base their demands for new construction. The policy of placing entire navies side by side, of totting up gun-power, displacement, speed, and every other advantage or disadvantage is as fallacious as it is dangerous. The results (and since every naval critic given to this pernicious practice has a special classification of his own, they are never alike) are useless for purposes of estimating the forces in hand capable of dealing effectively with those possessed by a possible foe. Comparisons between opposing fleets and squadrons, let me say at once, are on a different footing. But to this side of the question some little space is devoted on a later page.

The War Office should also be consulted, and here a departure might well be made. Admiral Sir Vesey Hamilton, G.C.B., himself a former First Sea Lord, estimated that, outside the sphere of purely naval occupations, the proportion of work done by the Navy for other departments was as follows:—The Foreign Office, one-half; the Colonial Office, one-quarter; one-tenth for the India Office; one-tenth for the Board of Trade; one-twentieth only for the War Office. The proportions probably come somewhat as a surprise, and that the

obligations to the sister service should be so small a part of the whole is not indicative of the best of feelings between the land and sea forces. Therefore, I would have the Minister for War more intimately consulted as to the dispositions of the military at home and abroad, and if at any point mutual aid might be beneficially rendered by equally mutual modification of plans, such should receive the most serious consideration. Office must possess the full and complete assurance of the Admiralty that its fears in every direction, be they of invasion, raid, or closing of lines of communication over-seas, are appreciated and respected. The policy of correlative support must be encouraged and developed to ensure the active and efficient co-operation of the Navy and Army should such be necessary for the successful prosecution of a home or foreign compaign. Need I point out that of course the whole suggested policy of the Board of Admiralty will be open to the free criticism of the entire Cabinet, but that the amount of consideration to be given to such criticism must be carefully weighed?

Finally, after full consultation with the Ministers of other departments most nearly interested in the administration of the Fleet, the estimates should be drawn up by the Civil and Sea Lords under the presidency of the First Lord. Ali differences which arise between the sea and land factions upon the Board should be placed for settlement before the Imperial Defence Committee, a Committee of men belonging to both parties in politics and picked for their acknowledged sober judgment and sound common sense. Nor must the Treasury be taken into the councils of the Board at this juncture, lest it become impossible to steer clear of this accepted dogma propounded by a well-known Admiral, "expense governs everything."

"If the responsible heads of a great department like

the Navy allow the Treasury to come in and overbear their deliberate judgment by mere penny-wise considerations, they incur a great responsibility," said Lord Carnarvon on November 13th, 1884. And with this sentiment few could be found to disagree.

When called before a Select Committee some years back, Admiral Hotham said, "The estimates and the strength of the Navy are matters for the Cabinet to determine"—which means that the ultimate responsibility is to rest with the Cabinet! Under the suggested scheme outlined above, fortified by the yearly and individual statement of the Sea Lords and rendered proof against the crippling interference of the Treasury, it would be quite safe to allow the Government of the day, having full cognisance of the opinions held by their naval advisers, to bear the responsibility for the sufficiency and efficiency of national defence on the waters.

It will be seen that this epitome of a modified financial and administrative régime is in its foundation based upon a closer understanding between the masses and Whitehall, brought about in the first instance by the subjugation of the Treasury, secondly by a direct expression of opinion from the Sea Lords, and lastly by the total exclusion from the problem of all political bias.

Leaving this side of the question, an inquiry into the international situation and its relative bearing upon the disposition and distribution of our naval forces follows in natural sequence.

It has been accepted for nearly a score of years as a paradigm both needful and comprehensible that in the matter of ships-of-the-line Great Britain shall be equal to any two Powers, with a certain margin of reserve. Until a few months back it was possible to abide by (and necessary to insist upon) this dictum—the Two Power Standard—without reservation.

But the natural development of nations brings about

changes in international strength at so rapid a rate that never a decade passes without a striking alteration in the balance of power. Hence it is that from time to time the recognised standard is brought up, automatically almost, for criticism and correction. At the present moment two facts stand out prominently for consideration: the balance of sea-power in Europe has shifted from southern to northern waters, and the United States have leaped with startling suddenness to the position hitherto occupied by France. The question then arises as to whether or not it is desirable or right to allow the Fleet of the United States to enter into our considerations of foreign naval strength. I have for some years past, in gauging this relative strength, excluded the United States from my computations, and it is my belief that for the future our "Naval Might" should be dependent upon that of European Powers only-an Any-Two European-Powers Standard. This conclusion is arrived at after due consideration and for two principal reasons. The first is that, whether we wish it or not, America will shortly possess a Navy which, added to, say, the developed German Fleet, will numerically exceed our own; the second reason is that people on both sides of the Atlantic were considerably shocked by the war scare of 1897-98, and have come to see how iniquitous an Anglo-American conflict would be, and how sinister its results to the English-speaking race (as the dominant dialectic powers), whoever emerged the victor.

No sober-minded individual can condemn the sentiment here expressed, but opposition to the first reason given is to be anticipated. Such opposition would not be swayed by the mere statement that, following the laws of common sense, it is impossible for 42 million people and 143 million sterling of revenue to keep ahead of 136 million of two equally civilised and wide-awake races with a combined revenue of 248 million

sterling. Points such as these cannot be laboured, but it may be added that the ratio of increase in American and German trade, prosperity, and national wealth is far in advance of that of Great Britain.

Deleting the United States, therefore, the problem becomes considerably simplified, and, if the Any-Two European-Powers Standard be accepted and adhered to, the work of estimating the relative value of the floating material of the naval Powers concerned may be left with confidence in the hands of the Sea Lords at Whitehall.

As already remarked, each decade of the world's history heralds transmutations, the importance of which cannot be exaggerated. Naval opinion, too, is subject to variation, and the evidence of these changes is to be found in the alterations of ship-building policy from year to year. It must have been noticed that though the administration of the Navy, as opposed to that of its sister service, is fairly constant in spite of constitutional political changes, it is none the less complex by reason of that comparative continuity. And considerations of the international situation by no means tend to simplify matters.

One point at least is being daily most forcibly impressed upon the minds of the British people—the steady advance of the German Fleet. Looking beyond this factor we see the sad phantom, unmistakably real, of French naval decadence, and it follows from this that our fears for the future will be prompted not from the south but from the north. The effect of this interesting situation has already made itself felt, and the appended table, from an admirable article in the 1907 edition of the Naval League Annual,* is valuable testimony to our recognition of Germany's growing might.

^{*} L'Entente Cordiale et la Marine Française. by Capitaine Sorb.

DISPOSABLE BRITISH NAVAL FORCES.

Period.	In the South against France.		In the North against Germany.		
	Squadrons.	Proportion of Ironclads.	Squadrons.	Propor- tion of Ironclads.	German Forces.
1902	Channel Squadron, 7 Ironclads. Mediterranean Squadron, 12 Ironclads.	100	Channel Squadron, 7 Ironclads.	100	1899 — 4 recently built Ironclads. Several old Ironclads. Several old Ironclads of no great value, and a certain number of guard-ships. In 1902 — 9 newly built Ironclads.
Formation of the Home Fleet, per- manently con- stituted.	Channel Squadron, 9 Ironclads. Mediterranean Squadron, 12 Ironclads.	68	Channel Squadron, 9 Ironclads. Home Fleet, 10 Ironclads.	61	1903 — 9 modern Ironclads. 1 Armoured Cruiser. 1904 — 14 modern Ironclads. 3 Armoured Cruisers.
Blue Book of December, 1904.	Atlantic Fleet, 8 Ironclads. Mediterranean Fleet, 8 Ironclads.	57 100	Channel Fleet, 12 Ironclads. Atlantic Fleet, 8 Ironclads.	71	
1906 Blue Book of November, 1905.	Atlantic Fleet, 8 Ironclads. Mediterranean Fleet, 8 Ironclads.	100	Channel Fleet, 17 Ironclads. Atlantic Fleet, 8 Ironclads.	76 100	1906—20 Ironclads. 5 Armoured Cruisers.
1907 Blue Book of October, 1906.	Atlantic Fleet, 6 Ironclads. Mediterranean Fleet, 6 Ironclads.	32 100	Channel Fleet, 14 Ironclads. Division of the Home Fleet, 6 Ironclads. Atlantic Fleet, 6 Ironclads.	84 100	1907—22 Ironclads. 6 Armoured Cruisers.

It is remarkable thus vividly to be reminded that whereas in 1902 we could bring no more than 42 per cent. of our commissioned battleships into immediate contact with the German naval forces, last year the percentage had exactly doubled; and during the same

period the disposable strength against France had decreased by two-thirds. Nor must it be imagined that finality has in any way been reached in the matter of distribution; it cannot be termed complete until we have attained that perfection of reasoned concentration which is the basis of true naval strategy. But both concentration and distribution are governed by the disposition of the naval forces possessed by probable or possible enemies.

Our hereditary foe, France, has, for reasons it is unnecessary to discuss here, given place to her Teuton neighbour; and the diplomacy which has secured an entente with the nation whose shores so closely flank and face our own is highly to be commended. At all times will it be worth our while to maintain friendly relations with France, and to lend her our moral support in resisting the pin-pricks or blandishments of Germany. Germany then is the principal objective dictating the distribution of our fleet. It were Boeotian to mince words at this juncture. It is so patent that the present policy of naval aggrandisement if persisted in by Germany must assuredly involve her in a war with this country. have but to decide whether that war should come at our convenience or at hers. The Teuton race is not composed of children; they know well the meaning of "bushido" (the spirit of national patriotism) and are not blind to the dangers of the future. All the official démentis of Europe added to the fervent condemnations of mealymouthed peace-at-any-price orators will not deceive the two nations as to the objects of the increasing German Navy and its inevitable omega. The preamble to the 1900 Navy Act contained the following significant remark:

"Under the existing circumstances, in order to protect Germany's sea-trade and colonies, there is one means only, viz., Germany must have a Fleet of such

strength that, even for the mightiest naval power, a war with her would involve such risks as to jeopardise its

own supremacy:"

Henry T. C. Knox, late Lieutenant R.N., recently made a prolonged pilgrimage round the coast of Germany, and in the course of a most interesting account of the visits he paid to the various arsenals and dockyards he writes as follows: "From all I saw and heard I am convinced that from a naval point of view Germany means big things. She will in no way decrease her ship-building programme, no matter what takes place at Peace Conferences, and in spite of the talk of disarmament in the House of Commons by politicians who may mean well, but whose knowledge of the world and the people in it is evidently strictly limited. Indeed, nothing is more certain, provided the money be forthcoming, than that in the near future both the size of the programme and the rapidity of building will be greatly increased.

"In Germany stamps are now being sold for the benefit of the Navy League. The City of Frankfurt stamp bears the following inscription: Germany calls the cities to her assistance, that the German Eagle may spread its wings over the sea.' It is not the general habit of these interesting fowl to extend their flight beyond the land, but Germany is evidently of opinion that her rara avis is capable of accomplishing the feat above referred to, as a book has recently been published, Deutschlands Kriegs flotte, on the outside of which is a representation of the globe completely covered by the German

flag."

Nor is this a unique quotation. During the last year or two the word "offence" has regularly been substituted for the word "defence," until then so carefully insisted upon in all writings about the German Fleet. Our course is, however, quite clear, and as it is clear so is it simple; we must place Europe virtually under a

naval lock and key. There are but four ways of quitting western waters for the wider seas. The first is the Suez Canal, and this, by reason of its vulnerability, may be entirely disregarded; the second is through the Straits of Gibraltar; the third through the Dover Channel; and the fourth by way of the North Sea passage between the coasts of Norway and Scotland, with the Orkney and Shetland Islands to flank the latter. Effectually shut these doors to commerce and you paralyse at will the trade of Europe.

Dealing first with the Mediterranean and Suez Canal, this latter is at the mercy of any belligerent desirous of closing it as a water-way. Patrol it as you will, means would assuredly be found for temporary oppilation, either to mercantile or military traffic. That a fleet in the roads of Suez could affect anything none will argue, and it remains only to discuss the closing of the western gate, the Straits of Gibraltar. It is not many years since our Fleet in the Mediterranean equalled in number the present Channel Fleet, i.e., fourteen battleships, and yet France, the country they were intended to menace, at that time maintained certain of her ships-of-the-line in the Channel. The situation to-day has undergone a curious reversal, for whilst the French Northern Fleet includes no battleships of the first line (every vessel entering this category being concentrated at Toulon), the British Mediterranean Squadron has been reduced to six units, and already wide-awake scare-mongers are flying their ballons d'essai before directing public attention to our relative weakness in the Straits. Yet, if the signs can be read aright, the principle being gradually evolved is correct in every detail, for a growing truth has slowly been forced upon the naval world.

We must abandon the Mediterranean, at least in so far as battleships are concerned. This statement is startling—the matter has been already thrashed out, cry

some; we have always had a fleet there, cry others. Malta will be taken and our occupation of Egypt threatened is a further argument, whilst, finally, industrious historians will discover that Napoleon once said, "I would rather have the English on the heights of Montmartre than in Malta."

Tempora mutantur, nos et mutamur in illis! Summed up in two words, the only real reason for retaining a battle-fleet east of Gibraltar is one of sentiment. It must not be forgotten that in the historical past the whole civilisation of the world centred around the shores of the Mediterranean. With the shifting northward of the balance of international power the strategical importance of this narrow sea has become entirely negatived. "But what of the fleet at Toulon?" will doubtless be an anxious question; and to this the answer is plain, if not reassuring. The French Fleet there will this year, and for some years to come, include the following vessels:—

Six battleships of 14,635 tons and 19 knots speed.

Five battleships of 11,105 to 12,527 tons and 18 knots speed.

Four battleships of 11,190 to 11,954 tons and 18

knots speed (in reserve).

The oldest of these vessels was commissioned only in 1895, whilst the first six mentioned are contemporaries of our "Dreadnought." We, for our part, have at the moment (or shortly shall have)

Two battleships of 15,000 tons and 18 knots speed. Four battleships of 12,950 tons and 18 knots speed.

I suggest that however great our faith in the British sailor, no one can imagine an encounter between the two forces enumerated above could end in other than the absolute annihilation of the minority. Which being the case, to refer to a further twelve older French battleships (seven of over 10,000 tons) is, of course, superfluous. Even the fourteen ships collected there in 1903 would have all

their work cut out for them in a conflict with the concentrated French forces of to-day. If the objective of a Mediterranean squadron be the Gallic Navy, we should maintain there (or in the vicinity) a force of at least twenty battleships—a mere six is almost farcical. Such is an ideal to pray for but never to see whilst Germany's Fleet grows unceasingly upon the northern waves. Yet nothing less would suffice. Was it not the late Admiral Sir Phipps Hornby who laid down a vital aphorism when he said: "I should never be content to meet any enemy in equal force, if by any possible efforts or prevision I could meet him in superior force. And for this reason, that to do so would be to infringe the first principles of war."

So the conclusion is reached that these six ships represent a last tribute to the sentiment of history, and will presently follow their eight similars of five years back to a more reasoned concentration in waters nearer home. But ere touching on their destination it were well to voice further definite reasons for withdrawing this remnant of our battle-fleet. To begin with, we should, by so doing, at once remove a constant source of international friction. Ex our treaties, high diplomacy counsels that in future the States of Europe be allowed to work out their own destinies as they think fit. Where no British interests are actually threatened or jeopardised by international strife or petty inter-state bickerings, we may well permit others to do the work and see the matter through. We have far too long been the self-constituted peace-makers in other people's quarrels in the Near East. Malta, I shall be informed, is a useful dockyard and cannot be abandoned, but since it is proposed still to retain a squadron of swift cruisers in the Mediterranean. any talk of abandonment is absurd. More important is the indisputable fact that the dock accommodation and repairing facilities there would prove wholly inadequate

to deal with even the present six battleships were they damaged as the result of a fleet action. Malta is, moreover, a most unhealthy spot for a considerable period of the year, whilst repairs effected there cost far more than if undertaken in home dockyards.

Malta will be taken! Tant pis. The suggestion is a little hard against our national pride, and yet sound strategy would never dictate the retention of a fleet in the Mediterranean for the mere defence of this island. Our Fleet is not in esse solely to protect this or that particular possession or colony, but to protect the British Empire as a whole. This can only be done by making the hostile sea forces the objective of our naval demonstrations. To allow the safety of Malta to enter into the question at all is an argument against this protatic dictum that can in no wise be permitted.

Egypt—a little more difficult, since here a hostile landing might conceivably upset the native element in detriment to British prestige. Yet the argument advanced above is as sound in this respect as in regard to Malta, but with a difference. Two wars only can we imagine in which our Mediterranean interests are likely to be severely threatened-against a Franco-German coalition or against France alone (or, perhaps, France and Russia). In the first eventuality our Fleet would, bon gré mal gré, be massed around our shores; the danger to the brain of the Empire would be too vast to suffer the slightest distribution of our fighting forces. Malta—and more—would have to take their chances until the issue had been definitely decided in metropolitan waters. It should not be forgotten that were we successful, such outlying positions captured by the enemy must revert automatically to us, whilst should we be the vanguished side they will as naturally fall to the victors in any event.

But let us suppose we became embroiled with our

neighbours—d'outre Manche alone—how should we stand? As now, the paltry squadron would have a choice of but two moves: either it must lie snug behind the defences of Valetta Harbour until reinforced, or it must run for Gibraltar, link up there with the Atlantic fleet, and await additions from England. In the first case blockade ensues; in the second the Mediterranean is abandoned; and far better for our national credit to retire during peace of our own free will than be forced thereto under compulsion.

Let us now picture the same situation after the suggested reform. Our forces in the immediate neighbourhood, based upon Gibraltar, consist of six or eight battleships (the Atlantic squadron will in time be reinforced) with a quartette of speedy armoured cruisers in the Mediterranean itself. At the first hint of difficulties a division of the Channel Fleet, or more probably the Home Fleet, would cruise innocently around the Bay of Biscay. The sequel is inevitable, for either the French Fleet (which could include but modern vessels) retreats to Toulon, or it invites annihilation by the superior forces on the spot at the outbreak of hostilities. The addition of Russia to this last problem would not alter its develop-Three definite points have thus been established: (1) the Suez Canal need not be taken into serious consideration as a means of entering or leaving the Mediterranean; (2) we must withdraw our battle-fleet in its entirety from seas: the narrow and (3) the of Gibraltar can very well be guarded home and be by a squadron based on the dockyard there. Whether it be from the strategic, economic, diplomatic or hygienic point of view, the withdrawal of our battle-fleet from the Mediterranean has everything to commend it. By so doing rather than lose power we add to our command of those waters; for a man armed cap-à-pie obviously possesses a far greater

control over a dozen of his fellows similarly equipped if he blocks the sole exit of the room containing them, than he would by taking up his stand in their midst.

Two of the gates have now been dealt with, i.e., the Suez Canal and the Straits of Gibraltar, Gibraltar will be watched, directly by the squadron based upon the Dockyard there, and indirectly from home by such fleet or squadron as shall be in the most convenient position for re-inforcement. This last force can and will perform a dual office, for whether it be centred on Devonport, Portsmouth or Sheerness, it would in any case command the southern entrance to the North Sea. Situated as are the British Isles, the defence of this narrow belt of water should present the least difficulties of all. The submarine boat and the destroyer are annually asserting their independence as weapons of offensive defence and the institution of separate flotillas from Dover to Unst is now well in progress. We have (built or building) sixty submersible craft and about eight score destroyers; a few years ago, when the latter totalled many less, we maintained nearly fifty of them in distant seas. Now, over eighty per cent. of the destroyers and all of the submarines are in Home waters, while each month an increasing number is moved east towards the narrows they would be called upon to block if the word were given. organisation of these torpedo-craft flotillas, and of their supporting battle squadrons in the Channel, is well advanced, and it may safely be conjectured that the third gate through the Dover Straits could be held against all comers should necessity arise. There remains but that in the north, and it is necessary to take immediate steps for strengthening our position there. If a hostile fleet were desirous so to do, little difficulty should be found during war-time in running out around the north of Scotland. At all costs this way out must be closed; the enemy, whoever he may be, must be effectively cooped up

within the narrow seas and then swept off the waters by an irresistibly superior British force. No time can be spared in bringing him to action, or wasted in useless pursuit; no eccentric strategy can be permitted, no lackcourage sympathy be allowed a say—to be telling, successful, and lasting our victory must be immediate, worldshaking, and complete. This it will never be unless the likely field of operations is restricted, and for this restriction in war-time we must make preparation during The barricading of the northern gate must be carefully considered. Two things we cannot do to further this, namely, maintain a separate squadron continuously in those waters, and found a Dockvard Base there. the first, it may shortly be said that such an action means an impermissible loss of concentration; one main fleet is all we require from Dover to the Shetlands. vard is out of the question for many reasons, amongst which may be cited cost, inaccessibility, and lack of suitable locality for the establishment of such. reasonable suggestion is that for a naval base similar to the one instituted by Admiral Togo during the Russo-Japanese War. It will be recalled that the better to watch Port Arthur, he established, in the Elliott Islands, a boomed-harbour base, fitted it with sufficient land defences, equipped it with repair and depôt vessels, and lay there snug with his battleships whilst his smaller craft (split up into divisions) took turn and turn-about in blockading by proxy the invested arsenal. Some such scheme might well be followed in the islands of Shetland or Orkney; here could be prepared a safe, natural anchorage fitted for the repair and maintenance of submarines, destroyers and torpedo boats; possessing a good reserve supply of ammunition, torpedoes, coal and oil; defended against sudden raids by rejected 6 in. and 4.7 in. guns mounted in picked positions; having two small floating docks similar to that in Haslar Creek, Portsmouth,

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capable of raising vessels up to 1000 tons; in direct submarine-cable communication with Whitehall and aerogrammic connection with the Channel Fleet. Base upon such a position two divisions of twelve destroyers each and a dozen submarines, and a great step in the right direction will have been taken. Let there be no misapprehension as to my meaning; it is not proposed or suggested that these torpedo-craft flotillas should bear the brunt of a hostile fleet attack, they would merely represent the advance guard of the British battle-fleet in war and the watch-dog of British interests in peace. Nor should it be forgotten that such a thing as moral effect is still in existence, and the moral effect of submarines and destroyers (the unseen and the ever-expected) is taken into full consideration in making the above general suggestions.

The placing of Europe under a naval lock and key, ut supra, is not, however, the "be all" and "end all" of British naval strategy; it is, indeed, no more than a means to the only end with which we, as a nation, could be satisfied—the destruction of the enemy's fleet. Enough has been said to indicate the course of action in the event of France becoming involved, either alone or as one of There remains but the German problem. a coalition. To mention a possibility of war, or a future embroilment, with our Teuton neighbours is to invite the stigma of "scaremonger" or "mischief-maker"; so fearful of fighting is a certain nervous section of the public that they dread the discussion of its probabilities for fear of provoking it. Placed thus, I turn with relief to a recent article in the Times.* The writer, after a short preamble, leads off with the following trenchant paragraph:-"England has never in her long history been face to face with such redoubtable rivals as the Germans. Philip of Spain had the ships and men, but not the ports over

[#] German Naval Policy, September 10th, 1907.

against our shores. Louis XIV and Napoleon had the armies, but an insufficient number of ships, and no organised ports in the Channel. The Dutch had the ships and the ports, but not the army. The Germans possess the armies, the ships, and the ports; they possess numbers; they are a self-contained nation in all that relates to maritime activity; and they can boast, above all and better than all, a spirit of enterprise and of sacrifice, a tenacity of purpose, and a knowledge of the science of war which are unsurpassed. The eventuality of a contest with this mighty Power must never be out of our thoughts for a single hour."

The italics of the last two lines are my own—the necessity for emphasising their import requires no explanation. "The eventuality of a contest with this mighty Power must never be out of our thoughts for a single hour!"

In a word, the development and disposition of our Navy from this day onwards must be directed with a sole regard for that future war which to those in a position to judge appears absolutely inevitable. We must, unless the unforeseen occurs, crush Germany, or Germany will crush us! Herein is nothing bellicose, nothing inflammatory; it is a cold, blunt exposé of a practical certainty which the mass of both peoples (and more particularly The fear of our own) have not the courage to voice. public criticism and press condemnation is too overpowering, whilst the taunt of mischief-making is deadly. Accept it then frankly, look the inevitable sternly in the face, and the present fair feeling between the two nations need not be one whit endangered. Our modus operandi should be definite and straightforward; never must a German fleet be permitted to concentrate without a British squadron of greater strength to shadow it. The game is long and costly, yet in playing it we must, if we value our existence, always lead on points. Enclose the Teuton

Navy within the narrow seas and watch it continuously with a force capable of blowing it to the four winds; follow this line of action strictly, lay it down as a national precept and, at the first hint of difficulties, the German Fleet should have ceased to exist ere the text of the ultimatum has even reached the British Public. Such a method Togo taught us, and his enemy outnumbered him! But let me quote again from our premier journal:-"It is not at all unlikely, should our delegates at the Hague Conference fail to bring about a standstill in armaments-and how can it be otherwise if Germany stands aside?—that we shall have to begin a naval game of beggar-my-neighbour with Germany. However this may be, it is certain that Germany is now, and will be still more in the future, in a position to act at sea with vigour; and her best authorities appear to think that it is by no means unlikely that the German Navy will be able to clear the way for the transport of an army of invasion across the North Sea. The German Navy is not only powerful, but it is always concentrated, and obeys a single impulse. It is not admissible to neglect a single precaution by sea or land when we are considering the chance of the hostility of this Power."

The game of beggar-my-neighbour has already begun—upon the German side. It is regrettable that until a more reasonable political majority sways the destinies of the Empire this game should be fated thus to remain one-sided! yet so it is. There are two ways of combating German naval aggrandisement and two ways only. The first, to swamp Teuton naval ambitions by vast programmes similar to that brought forward under the Naval Defence Act, is as expensive as it is uncertain in its results; the second, which is to embark upon what a great German strategist has termed a "preventive war," is even more costly, but it possesses the redeeming merit of finality. In the former case, unsuccess in the achieve-

ment of the ends desired frequently leads to the latter, thus involving a dual expense and possibly a terrific campaign at a time inconvenient to ourselves. *Per contra*, the "preventive war" is so daring a suggestion, that to the vast majority it balances between the unchristian and the fanatical. So short is the memory of one generation that the deeds of another are conveniently cloaked in the obscurity of the past; yet we have not scrupled to forestall a danger to our naval supremacy in the making of our Empire, and I fail to see why we should so scruple in its maintenance to-day. If a homely simile be permitted, it is wiser to destroy a savage dog while young than to wait until, having grown to full strength, it shall in the ensuing struggle destroy you. The continued preponderance of the British Navy is an intolerable check to German ambitions—to be baulked in these is pleasant to no one, and our own history is eloquent testimony of this self-evident fact. We, for our part, would have none of it; when the strength similarly to protest is come to Germany, will she be so different in this respect to ourselves?

Writing on this subject in the pages of the Deutsche Rundschau in 1900, General von der Goltz, whose repute as a high authority is world-wide, made the following interesting declarations:—"The national energy of Germany has need of space, and the soil of our country has become insufficient. The dream of a greater Germany has become a law for the present generation under the iron hand of necessity . . . War with England has nothing improbable about it Violence is a right for people who fear for their existence. The progress of Russia on the side of India is not independent of her relations with Germany. Turkey, our friend, is on the flank of the British line of communications with the East. Resistance by Germany is far from being impossible, and our chances of success against England

improve day by day." In writing this the gallant General evidently regards as obsolete the warning of Cicero when he laid it down that "war should be so undertaken that nothing but peace may seem to be aimed at!"*

In such a war the niceties of diplomacy and International Law, however stringent this latter may be, will inevitably fall into abeyance; negotiations will cease as Germany wills, and with the official declaration of active hostilities from the Reichstag we may well receive news of the initial naval engagement. If we are prepared, we should win; if we are found wanting, the first two days might even herald a German landing upon one of the four undefended east coast stretches that offer such excellent facilities for this purpose.

"Considering our general naval superiority, and for so long as this superiority is effective and enduring, we cannot picture any plan of invasion made in Germany which does not conclude by demanding the initiative and surprise as indispensable conditions for success. To give us time to mobilise and assemble our scattered

squadrons, and to collect our heterogeneous land forces, would be an act of folly upon which we could not count.

"There are some who would lull us into a false sense of security by describing an attack by surprise as an act of the blackest treachery. We may cover it with our maledictions, but, when the interests, the security, or the existence of the State are involved, the whole theory and practice of Prussia is to act first and to talk afterwards. This is so well known to every one who is even in the slightest degree acquainted with German military literature and history that it is unnecessary to labour the point. But, as the Black Treachery School has made converts in high places, it is well to remind them of the practice of Frederick the Great, as described by

^{*}Bellum ita suscipiatur, ut nihil aliud nisi pax quaesita videatur.

Macaulay:—'Without any declaration of war, without any demand for reparation, in the very act of pouring forth compliment and assurances of good-will, Frederick commenced hostilities. Many thousands of his troops were actually in Silesia before the Queen of Hungary knew that he had set up any claim to any part of her dominions.'"

So writes the *Times* military correspondent, and to suggest a deduction, he adds a quotation from Lord Overstone. "The general confusion and ruin which the presence of a hostile army on British soil must produce will be such that it would be absolute madness on the part of the Government and people of this country were they to omit any possible measure of precaution, or to shrink from any present sacrifice by which the occurrence of such a catastrophe may be rendered impossible."

In preparing against the eventuality of a German war it is well therefore to bear in mind the possibility of a raid upon our shores. Whether this raid develop into an invasion is not entirely dependent upon the Navy. The difference between invasion and raid may be summed up in a few words; the former suggests a desire to conquer definitely the enemy's country and add the subjugated land to the dominions of the victor, whilst the latter suggests a desire to do all possible harm to the country immediately adjacent to the place of landing, before being destroyed or captured by the superior forces of the invaded. An invasion may mean national extinction, a raid can have no influence upon the final result of the war so long as our Fleet is victorious at sea. Yet if we have but ten thousand efficient soldiers in the kingdom, fifty thousand German troops may well constitute an invasion; on the other hand should our Army, or citizen soldiers, be capable of dealing successfully with fifty thousand men or even double that total, it would be incumbent upon an invader to send a vastly superior number to be hopeful of

success. The defending force must therefore be large enough to compel an invader to send the maximum number of troops; the known presence of, say, one million citizen soldiers, brought to passable efficiency under a recognised system of national training, would stifle all desire on the part of European armies to test the strength of British manhood. As Admiral Sir Cyprian Bridge has written, "if the intending invader be compelled to come with a large army if he comes at all, the duration of the preparations that he will have to make is likely to be considerably extended, and prolonged concealment of them rendered difficult to the verge of impossibility. He will thus have been in effect obliged to disclose his intentions. The first step to be taken to frustrate these will be naval; and if it succeeds the invasion cannot be carried out."*

For the present we should set our naval house in order; full praise is unstintedly given to the able officers at Whitehall, for it can be accepted with sureness that the British Navy, as a whole, has never been more generally efficient than in the present year of grace. But efficiency is not everything; quality must be backed up by quantity, and in referring thus tersely to the naval strength necessary to the Empire I can do no wrong in quoting a famous and recent First Lord. Asked by a personal friend his idea of a sufficient British Navy, he replied, "What we really want in order to be secure is not what is generally understood by the Two Power Standard, but a Fleet of such strength that, after having dealt with any two Powers which have attacked us, we shall have a sufficient margin of strength to cope with the third Power which has been looking on and awaiting her chance to join in after the war is over."

But, whilst having due regard to the numerical develop-

^{*} The Art of Naval Warfare, Admiral Sir Cyprian Bridge, G.C.B.

ment of the Fleet, an early start must be made with the establishment of the permanent naval base on the East Coast. Rosyth at first appeared to offer certain objections, and it is regrettable that the praiseworthy decision to proceed with its development (recently made public by Lord Tweedmouth) should have come so late in the day. Now that the official minds have been made up, action and immediate action is essential. We must know at once how much this new naval base will cost, how long it will take to complete, and when, definitely, it is to be commenced. The people of Britain will not shirk the cost if they are but taken into the confidence of the authorities; but there must be no delay—it should be done at once.

Turning for a brief moment to distant waters, it is not proposed here to discuss in detail the advisability of this or that station or base being retained. It might be well though to place the defences of Colombo and Singapore upon a sounder basis whilst the relinquishment of Weihai-wei, except as a naval sanatorium, might be arranged in exchange for further trade concessions from China.

In the last few pages I have outlined the future distribution of our main Fleets, the reason for that distribution, and the necessary augmentation of bases such would entail. But nothing has yet been said of the composition of the various squadrons and, though it is early to level criticism at the Board of Admiralty, a few remarks as to the necessities of the near future cannot be out of place. Much is being done to obtain a proper concentration, but further modifications are required upon the lines already indicated. As we have seen, there will be three chief naval "regions"—Gibraltar, Dover (with bases at Sheerness, Portsmouth or Devonport), and the Shetlands or Orkneys. Of foreign stations we need not speak, for the forces retained there will, except in exceptional circumstances, include no battleships. The defence of

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the three gate-ways is only in one instance dependent directly upon the constant presence of battleships, at Gibraltar. Dover and the Shetlands are bases for torpedo craft of various types which are to close the exits (or entrances) they face by proxy; the battle-fleets supporting these mosquito flotillas have more important work than the mere patrolling of narrow Straits. the necessity of but three sea-going battle-fleets would appear apparent: (1) based on Gibraltar and termed, as now, the Atlantic Fleet; (2) based on a new arsenal to be constructed upon the East coast, the Channel or North Sea Fleet: (3) a concentrated Home Fleet, so stationed that its support is equally ready to either the Atlantic or the Channel. Such disposition virtually reduces the number of battle-fleets in commission by one half, from six to three. To-day there are the Channel, Atlantic, and Mediterranean Fleets or Squadrons, with the Nore, Portsmouth and Devonport Divisions of the Home Fleet. The system is faulty, for that concentration which is so essential to successful strategy, is sadly lacking. The principle suggested by present dispositions is that, should the present Channel Fleet prove inadequate, the Nore Division of the Home Fleet will reinforce it. far so good, but this Nore Division is no than a portion of a heterogeneous whole. combined Home Fleet, comprising the squadrons at Sheerness, Portsmouth, and Devonport. system of sub-division presents many striking dis-Of these the most important is that the advantages. Admiral destined in time of war to command the accumulated force will have had no opportunities of testing the various factions collected under him as a solid whole. Admiral Sir John Fisher once said, "Confidence is a plant of slow growth. Long and constant association of ships of a fleet is essential to success. A newcomer is often more dangerous than the enemy." And to the

Nore Division of the Home Fleet the other two divisions would most decidedly be "new-comers."

The above quotation is perhaps hardly fair to its author without the context; it applies, not as I instance, to squadrons, but to single added vessels. It is difficult, having made the above reservation, to see that the argument advanced for constant association is in any way weakened. Occasions there may have been separate fleets or squadrons have manœuvred admirably in company, as witness the Lagos combined manœuvres in February, 1907,—but one, or even several such cases. cannot be held to justify lack of reasonable concentration. The word "reasonable" is here inserted since it is quite possible to imagine "over-concentration,"—and, of the two evils, this is probably the most dangerous. There is, and must remain, a limit to the capacity of single command, and this limit can alone be decided by the responsible naval authorities. Again. by reason of geographical limitations it would be impossible, I fear, to maintain the entire Home Fleet, as at present constituted, centred on a single base; indeed in no event would it appear possible to maintain such a force entirely undivided. A compromise might be effected by reducing the number of divisions to two and excluding either Portsmouth or Devonport.

It is, however, first essential so to constitute the Channel Fleet* the main arm of British naval offence, that no real dependence need be placed upon the Home Fleet at all. To-day if a word of criticism be levelled against the Channel Fleet—"Ah, but you forget the Home Fleet," we are told. This is wrong; the Channel

^{*} The term "Channel" Fleet does not necessarily here mean the present force so named; it suggests rather the squadron which will spend its time in the North Sea and take the first blows upon the outbreak of war. The present Nore Division of the Home Fleet will most probably perform this office when at full strength.

or North Sea Fleet must be of such strength that the presence or otherwise of other vessels at Sheerness may confidently be disregarded. There remains the Atlantic squadron; this must be increased, possibly to eight Gibraltar as a base cannot be overloaded large vessels. This being so, reason of the strong position held by any fleet in the jaws of Gibraltar Gut, some dependence may well be placed upon ships at home. We have established this, therefore: the Channel Fleet must look to none for support, but be self-dependent in its preponderating strength; the Atlantic Squadron should be increased to a size compatible with the limited facilities of Gibraltar Dockyard: the Home Fleet must be more concentrated and stand as a separate fleet with a view either of heading off stray northern squadrons or reinforcing the Atlantic. In embodying these suggested modifications, full advantage should be taken of the generally homogeneous character of our battle-fleet. So much is this the case that the eight classes mentioned below include all our first line ships:-

4 Dreadnought®	{	17,900 18,600	tons }	21	kts.
2 Lord Nelson		(16,500			
8 King Edward	VII.	(16,350	tons),	18 1	kts.
8 Formidable		(15,000	tons),	18	kts.
5 Duncan	((14,000	tons),	19	kts.
6 Canopus		(12,950			
2 Triumph		(11,800			
9 Majestic	((14,900	tons),	$17\frac{1}{2}$	kts.

In the North Sea we have now fourteen battleships opposing sixteen German vessels; the relative superiority of the British ships is so great, however, that in actual warfare there is little doubt but that, in a fleet contest, we should win with comparative ease. But let me repeat

^{*} The "Bellerophon," "Téméraire," and "Superb" cannot enter into service much before January, 1909.

the remark of Admiral Sir Phipps Hornby, "I should never be content to meet any enemy in equal force, if by any possible effort or prevision I could meet him in superior force. And for this reason, that to do so would be to infringe the first principles of war." So the Channel command must be increased. A suggested re-arrangement is as follows:—

CHANNEL OR NORTH SEA

FLEET	ATLANTIC FLEET
2 Lord Nelson8 King Edward VII.8 Formidable	6 Canopus 2 Swiftsure
18	8

HOME FLEET

Nore Division 9 Majestic	2ND DIVISION 1 Dreadnought 5 Duncan			
	_			
9	6			

Here the Northern command is augmented by four units, is rendered practically homogeneous and would, to sum up, be the most mighty weapon for purposes of war ever placed under the command of a single man. The Atlantic Fleet would include the lightest-draught vessels in the Navy—and fast withal. The Nore Division of the Home Fleet is of nine identical ships as well suited to replace vessels refitting in the Channel Fleet as to reinforce or support that Fleet as a whole. The Second Division, based on Portsmouth or Devonport, is composed of the Navy's fastest battleships headed by the Dreadnought, which ship, by reason of her singleness, is better retained as an experimental vessel until joined by her three larger sisters at the end of this year or the

beginning of next. These last six would reinforce the Atlantic Fleet if need be and would, at the same time, be in home waters for dangers nearer at hand. On the completion of the "Superb," "Bellerophon," and "Téméraire," they, with the "Dreadnought," would replace less powerful units in the Channel (or North Sea) Fleet.

With some such re-arrangement as this we should have our most recent ships placed in the positions of greatest responsibility, where, indeed, they ought to be. And a solid second line, useful enough when the newest ships of all belligerents have given and taken the first hard knocks, would remain to us. These are the eight 14,350 ton "Royal Sovereigns," recently reconstructed, the pseudo yacht-battleship "Renown" of 12,350 tons, the two fast 11,000 ton "Barfleurs," and the aged but still powerful "Nile" and "Trafalgar" of 11,940 tons; a total of thirteen serviceable ships. Touching armoured cruisers, to the Channel or Northern Fleet should go the four huge cruiser-battleships of the "Invincible" type; with their broadsides of eight 12in. guns and speed of over 25 knots, they are fully able to tackle any foreign battleship likely to be commissioned during the next two years. And by that time the "St. Vincent" and her three mighty sisters, ships of 19,250 tons weight. will be flying the white ensign. I tabulate below in a short way the thirty-nine armoured cruisers we possess. The first three types are battleships in all but name, and the speeds mentioned have been made in service by the slowest of the class:-

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4 Invincible (17,250 tons), 25 kts.
3 Minotaur (14,600 tons), 23 kts.
6 Warrior (13,550 tons), 23 kts.
4 Drake (14,100 tons), 24 kts.
6 Cressy (12,000 tons), 22 kts.
6 Devonshire (10,850 tons), 23 kts.
10 Kent (9,800 tons), 24 kts.
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Let it be said that the disposition of ships is frequently governed by factors of which the layman knows and can know absolutely nothing. Hence even to suggest an arbitrary arrangement is bound to be invidious; the above apportionments are, therefore, set out more to convey a longed-for ideal. There are, for instance, such things as breakdowns, and however efficient a navy may be, the fallibility of machinery remains. This fact is not. luckily, an attribute peculiar to any particular navy, and we may derive considerable comfort from the knowledge that the percentage of misfortunes of various natures is, in view of the hard work to which our ships are rightly subjected, not alarmingly high, but surprisingly low. Utopia were indeed upon us did we possess Fleet against which no criticism could possibly be levelled; let credit at least be given officers and civilians who have so materially improved the general condition of our premier service during the past few years. "The ships are all right, the men are all right, it's putting them in the right place that's the difficulty"; in these words a senior officer recently summed up the existing situation. the drift of future mutations culminate in maximum concentration consistent with homogeneity, and a fruitful cause of perpetual criticism Concentration removed. represents strategic principle that demands recognition, no strategy can be effective which does not provide the maximum strength at the point of greatest danger. this lies the essence of naval success. Upon the value of homogeneity it is not necessary to dwell at length; it must be of such obvious advantage to an Admiral to have all the ships under his command of similar design. The "turning circle," manœuvring capacity, gun power, and defensive capabilities are identical, thus greatly simplifying his task as supreme commander. For, know-

ing the capabilities of one vessel, he is au fait with all. It is important, too, to know that should two units of a large class become definitely incapacitated as the result of an action, such parts of them as have escaped damage or destruction may be utilised in the repair of their more fortunate sisters. An officer or man having been in one ship does not require the same amount of time to "shake down "when transferred to a similar vessel. These are a few points that suggest themselves, and a last is the general standardisation of working parts that may be followed. It is with a sense of relief that we compare the Navies of France and ourselves in this matter of homogeneity. The rise of our own Fleet has not been smooth, vicissitudes and cross-grained criticism from illbalanced minds awaiting each new development, but in comparison the advance of our neighbour's Navy has been far more terribly handicapped, so much so that it stands to-day as a "fleet of samples"—the description is that of a French Admiral. Frame what programme you will to-day, to-morrow it will be modified. Order six ships of similar type to be immediately constructed, and the last in commission will differ from the first in every particular, dimensions, armament or speed. initiates a reform, his successor abolishes it; one man believes in battleships and administrates up to his belief, only to have his calculations upset by the Minister to follow, who has pinned his faith to surface torpedo craft or submarines.

This type of administration is of the most deadly, and strangles all possibility of developing tactical or strategical knowledge. Our Navy is, par excellence, a Navy of large classes, and it is for this reason that I am glad to tearn the newly-commenced "St. Vincent" class will, to all intents and purposes, be similar to their extraordinary and successful prototype the "Dreadnought." It is quite possible, even probable, that an immensely superior type

might have been evolved, but the advantages of squadron homogeneity are so great that they outweigh any that might have accrued from the enhanced war value of individual ships. Germany has grasped the principle well, and her battle-fleet to-day, though including twenty units, is of but four ship types, and these very similar in themselves.

The British policy of naval construction has undergone a curious change during the past few years. It has been our custom to await the programmes of foreign powers, study the designs therein adopted, and at once to lay down ships which, in number and fighting power, were regarded as superior. In a word, they initiated and we went one better. Then came the "Dreadnought," and in her we see the initiation of a type that sets the universal standard in battleship design of the immediate future. To this standard our possible opponents must build; modifications or improvements of such vessels as they already possess are futile. From the early sixties of the last century until now the evolution of type has been regular and definite, and there is to-day no more sign of finality in design than there has been during the past fifty years. Critics, disarmed by over-enthusiasm, have told us many times: "Here is the perfect war vessel," and as often as the statement has been made so often has the cause thereof been driven to obsolescence by her successors. Design has been governed, and still will be governed, by factors of which many take insufficient note, and upon which enough importance is seldom placed. We hear, daily almost, that such and such a Power cannot possibly build such and such a type of ship because it has not docks capable of holding them; because it does not possess the plant necessary for the construction of behemoths; or because the nation, quâ nation, is financially too poor. These considerations, it is well to recognise immediately, are of no consequence whatever in the com-

petitive battle for naval supremacy. The altered conditions of modern international relations have a powerful bearing upon naval evolution in the future, and the most immediate result of the advent of immense ships is to give our richest opponents a better chance of equalling us, at some future date, upon the sea.

It is curious that the whole question of naval supremacy should have been forced to the front through the construction of a novel type of ship; yet it is the fact that the "Dreadnought" has so upset all calculations carefully based upon naval strength built up prior to her completion that to take an honest critical survey of the naval situation to-day is a matter of inordinate difficulty.

One of the first points for consideration is this: Does the advent of the "Dreadnought" augur well or badly for British naval supremacy? The answer to this query depends upon whether we intend to acquire and retain a vast superiority of the new type. Certainly the mere possession of a single powerful unit does not of a sudden raise us to such a position of pre-eminence as to permit the complete cessation of work upon new construction. It is a sad but undeniable fact that a certain political coterie were imbued with the idea that by building the "Dreadnought" our position at sea has been indefinitely assured-would that it could be so-but we suggest for the consideration of those eminent gentlemen the contingency, and a possible contingency, of the said "Dreadnought" following the example of the "Montagu," and throwing her two million pound hull upon the rocks. Suppose this had happened and we had stayed our hand meantime in furthering the construction of sister ships, how would our position be regarded then? Defence Act would doubtless have followed, and tenders would have been invited for countless ships from shipbuilders whose machinery had rusted through desuetude!

The "Dreadnought" does not ensure our position afloat.

She adds to the floating strength by one unit, but until a squadron of similar vessels is at sea it would be foolish to assume that her coming gives us any undue superiority. And this not merely by reason of her singleness. We must realise that we have set a pattern. and to that pattern possible opponents will have to build. They will not, moreover, be content with following the lead we have given them. They will seek to better this infant type, and there can be little doubt they will succeed. For, successful as she has proved from every point of view, the" Dreadnought" has already suggested many scores of improvements which are being applied to the seven vessels of the "Bellerophon" and "St. Vincent" classes. It may be observed here that nearly every firstclass Power is designing or building ships of equal or greater gun power, and to oppose them we shall in turn be forced to construct ships that will be as superior to the "Dreadnought" as she is to the old "Benbow."

And the "Dreadnought" has, too, a far-reaching influence upon the ship types preceding the era she initiated, and in this factor there appears to me one of the most patent dangers. Vessels of her type should be able to catch up, steam round and blow to pieces any two battleships of our own or foreign Navies. They can overtake and blow out of the water nearly all the armoured cruisers of our own or foreign Navies. Yet these armoured cruisers have been built for the express purpose of harrying commerce and reconnoitring hostile battle forces, depending on their speed alone for safety from the heavier metal of their erstwhile slower brethren, the Though on occasion they may be called upon to take their place in the line, they were never devised for that purpose, and the armament given them has seldom been more than they would require if faced by contemporary foreign vessels. But now, the first squadron of Dreadnoughts will, as regards speed, rele-

gate most of the armoured cruisers at present afloat to a position beside the older battleships, whilst they will possess neither their qualities of offence nor of defence.

The portend of the "Dreadnought" is primarily, therefore, a condemnation of all past types, for she reduces their spheres of usefulness in many cases almost to negation; she advances obsolescence upon former designs and renders their period of active life lesser by many vears. She insists upon increase of displacement, speed and armament beyond the ordinary course of evolution, and must, unless followed up by many facsimiles, affect the balance of power in a manner prejudicial to Great Britain. Perhaps this last point has not been as clearly defined as circumstances demand, and the average critic may search long ere he discovers in the "Dreadnought" a near danger to our naval supremacy. Much of the misconception is due to the manner in which her completion was hailed. So many people and so large a section of the Press, having compared her to four, five or six former battleships of modern type (according to the whim or powers of exaggeration of the individual), regard her commissioning as a direct addition of so many vessels to the Fleet at sea. Thus, if before we were stronger than any two Powers, we were, on the date of the Dreadnought's entry into service, stronger still by four, five or six units, or the work of, on the average, two naval programmes. We should now be able to rest on our laurels for two years say they. Quite so, if only other Powers also stayed their hands. Unfortunately, if our "Dreadnought" is equal to six former ships, foreign patterns of later date, designed to smash the "Dreadnought," may be considered equal to eight former ships. compare the "Dreadnought" to what you will, the fact still remains that in a few years' time superiority in ships subsequent to the era she initiated will alone count. Vessels immediately prior to her will have a far shorter

life of useful service than ships of twenty years ago; for though there are still units commenced as far back as 1886 that might have done good work in any of the Fleets up to 1906, no one imagines that the British "Queen," German "Schleswig-Holstein," or French "République" can possibly possess any war value in the year 1920. The trend of modern ideas is fully evidenced in the suggestions of Engineer Laubeuf, who speaks of 26,000 tons displacement and 18-12 in. guns for a future battleship, whilst the equally talented Italian naval constructor, Colonel Vittorio Cuniberti, who I am proud to know personally for an eminently practical man, suggests guns of 16.25 calibre or upwards for his ideal battleship of the immediate future. And with such an incentive as the "Dreadnought," the process of evolution will be rapid, so much so that it is forcibly brought home to us that the introduction of the new type, rather than placing a limit upon naval construction, calls for increased energy, so that presently, when all ships prior to the "Lord Nelson" class have been relegated to the second line (and a poor second line at that) we may be in a position of crushing superiority in the new designs.

Basing our deductions upon the above arguments it is not difficult to trace the probable course of future developments. Battleships will increase in size, speed, and power to an extent as yet undreamt. Even a temporary reaction towards more moderate displacements—a reaction that might well be brought about by the endeavours of an active "too many eggs in one basket" school—cannot affect the inevitable. It is well to emphasize the fact that but one thing can set a limit to the size of battleships, i.e., the depth of water in harbours. Docks and money are not questions to be considered. The former are constructed to take ships, not ships to fit docks! Money also can be ignored.

Doubtless in time the two million sterling prime cost of the "Dreadnought" will increase to eight or more millions per unit. All nations whose purse proves inadequate to meet this drain will drop out of the contest for supreme power at sea, and leave the running to their richer opponents. This is the true national game of "beggar-myneighbour," a game that has been at the root of the rise and fall of every empire. Admiral Paris summed up the situation in most concise fashion: "The further we go," he wrote, "the more will naval war be waged with money rather than with men." To us who aspire to the sovereignty of the seas a general acceptance of this fact is essential. The British ideal should be to combine in one ship the speed of the swiftest, the fighting and defensive powers of the mightiest, the comfort of the most luxurious, the radius of action of the most economical, with the all-round perfection of the most mechanically perfect war vessel of foreign navies. which is meant that if one of our ships be found inferior in any element of force or design to a foreign ship of the same class, it would better become us, instead of vaunting our superior coal capacity or weight of armour, to construct a larger and costlier vessel, retaining our own advantages and embodying all those of the foreigner. Having secured the all-round superior type, multiply it to the extent of a tactical group, six, eight or ten vessels as expert officers shall advise. Then, since foreign Powers will assuredly have evolved a superior vessel in the interim, advance the process of evolution and design still a mightier ship, as much more mighty than her predecessors as these were than the ships they had succeeded. This is the crux of a successful shipbuilding policy. In this game of money versus money the advantage lies with us. We build, ton for ton, far cheaper than any other country in the world, and as we build cheaper so can we build faster.

Nation	Name	launch	Displacement	Total Cost	Cost per ton
Great Britain	Prince George	1895	14,900 tons	£895,504	£60.1
	Charlemagne	1895	11,108 tons	£1,096,432	£98.71
	K. Friedrich III.	1896	10,974 tons	£962,500	£87.7
Russia				£1,098,100	
U.S. America	Iowa	1896	11,340 tons	£990,000	£87.3
Great Britain	Queen	1902	15,000 tons	£1,074,999	£71.66
France		1903	14,635 tons	£1,674,870	£114.44
Germany	Hessen Regina Elena	1903	12,997 tons	£1,157,500	£89
Italy	Regina Elena	1904	12,425 tons	£1,120,000	£90.14
U.S. America	New Jersey	1904	14,948 tons	£1,380,000	£92.32
Great Britain	Hibernia	1905	16,350 tons	£1,444,828	£88.3
**	Agamemnon	1906	16,500 tons	£1,605,065	£97.2
,,	Dreadnought			£1,813,100	
France		Bldg	18,023 tons	£2,190,000	£121.5
Russia				£1,900,000	
U.S. America	New Hampshire		16,000 tons	£1,600,000	£100
**	Delaware	Bldg	20,000 tons	£2,200,000	£110

The above figures are immensely instructive. representative ships chosen range, it will be observed, over three definite periods, 1895-96, 1902-04, 1905-06 and later. Two facts stand out prominently, namely, that as types evolve and increase in size the cost of building per ton of ship increases enormously; and that although the British ton-cost follows the general upward trend, the ratio of difference in favour of British shipbuilding remains almost constant. The obvious lesson suggested is that if we courageously make up our minds to buy a position of permanence as leading naval Power, we shall be able to do so. No nation, to whom it is a national necessity to maintain vast land forces in addition to a fleet, could long stand the strain of a contest waged upon these lines. As ships increase in size and cost, so will they, in like ratio, decrease in number. The great. expensive ship of war will draw and does draw a definite line of demarkation between the first-class naval Powers and the rest. And these "rest," instead of, as heretofore, being considered "secondary," will take the place

^{*} Sunk off Port Arthur.

of "nowhere." For to the navy of big ships lies the victory of the future.

No fleet can be composed alone of "capital" ships. Nor do large and costly armoured cruisers complete the necessities of a fully organised navy. There must always be a large force of lighter vessels, protected cruisers, scouts and smaller craft, plus destroyers, torpedo boats and submarines. The main difficulty is to secure every essential kind of ship without a too profuse multiplication of types. The strategy of these smaller craft is distinct from and the opposite to that of battleships. These latter must, to be effective, be massed and concentrated at the points of decisive action. The smaller craft are free-lances at the disposal of the group or squadroncommanders, for, outside the aid they may give in blockading and fleet scouting, they should at all times demand inimical recognition by persistent attacks on communications, trade, and in raids. At other times they would be expected to hunt down and destroy similar vessels of the enemy. This work is one that calls for three things, numbers, speed, and coal-endurance. For a nation to possess either of these factors separately, or any two of them without the third, is little better than to be devoid of all three. At the moment we have a vast array of protected cruisers, ranging in displacement from the 1,830-ton "Barham" to the re-armed "Powerful" and "Terrible" of 14,460 tons. Yet of the whole ninetyfive* here referred to, only twenty-nine have ever reached a speed of 21 knots either on trial or at sea, whilst but fifteen have steamed as much as 22 knots. Thus, with these few exceptions, they do not possess the first essential of their type—speed. A minimum of 23 knots can alone be permitted in these days of 21 knot battleships and 25 knot armoured cruisers. We must lay down a number of fast, long-enduring scouts. Their armament

^{*} Navy League Annual, 1907-08.

is the last consideration, but they must have speed and endurance. For the former thirty knots would probably be none too high, and it can easily be obtained with the recently improved turbines. The German Admiralty are fully alive to this necessity, and their latest protected cruisers, beside having ample bunker capacity, can steam 24 knots, whilst those to be commenced this year are to steam still a knot faster. At the moment Germany has. built and building, eighteen protected vessels with speeds between 22 and 25.8 knots. It is surely not to our credit that of the seventy-three protected cruisers built or building in the world steaming 22 knots we should possess but fifteen. Yet so it is. In a recent book entitled "Naval Efficiency," Mr. Archibald Hurd wrote: "We have not sufficient ships of this type (cruisers). We do not enable our officers to study sufficiently the best use to make of them, and what vessels we have are, in large part, too slow. It has been claimed repeatedly that the Admiralty underestimate the number of cruisers which will be required to act as eyes and ears of the battle squadrons, and also to protect commerce." Again, Captain Harry Jones, in his Royal United Service Institution prize essay, wrote: "Our true policy as regards speed of cruisers I believe to be as follows: They shall all have sufficient speed to carry out their scouting without fear of interference from battleships. For this purpose they should be two or three knots faster than contemporary battleships, and any sacrifice must be made to obtain that superiority." This matter then must receive attention, and that soon, for it must be recognised that the function of cruisers as the eves of battleships and the defenders of our commerce is of far greater importance to us than it can ever be to any likely opponent. An enemy may wisely devote his energies to the building of battleships, knowing full well that we, if we are to maintain our position upon the seas, will assuredly seek

out his fleet with the least possible delay. The cruisers of an opponent should have as their main task to warn their own battle-fleets in time to escape us!

Of torpedo craft it is unnecessary to say much. We have at the moment a considerable superiority in the matter of destroyers, but it would not be a sufficient margin were it not for the fact that our boats, from the first "Hornet" and "Havock" of 1893, mount an armament superior to that carried by all but the most recent foreign craft. In these small vessels the wear and tear of service is much greater than in their larger brethren; hence it is that, after a few years, their speed drops many knots from that designed or obtained on trial. Our earliest destroyers attained 27 knots on an average, but to-day could not touch 24 knots, push them as you will. European nations are content now with nothing less than 30 knots. Hence the value of the superior British armament is not immediately apparent, when it is known that the units they would be called upon to destroy could show their heels with such ease. The recent miserable programmes of half a dozen or so destroyers must be extended, not so much to add to the number of these craft. as to replace those which are rapidly falling into obsolescence. But, in adding to our flotillas, let me plead for a more sensible armament. Our Tribal class, though of 800 to 900 tons displacement, or as large as the original torpedo-gunboats, cannot bring a heavier broadside to bear than two 3 in. quick firers or two 4 in. quick firers. This is, of course, absurd. On a displacement such as theirs at least six or eight of these small guns could be carried. Rather would I see a knot of speed sacrificed than know that our gallant men must face opponents of lesser weight but with greater powers of offence. As has already been remarked, our ships, of whatever class, should be the best in speed, offence, defence, construction and general efficiency. The policy of the Admiralty in regard to submarines deserves the highest commendation. Starting in 1901-1902 without so much as an experimental vessel, we have now, built and building, no less than sixty of these subaqueous craft. A praiseworthy and settled forward policy has been pursued, each new class evolved being merely a modification of and improvement upon its predecessor. It may be asserted, without fear of contradiction, that if we have produced in the "Dreadnought" a wonderful battleship, we have been no less successful in the evolution of our under-water flotilla.

So much for the material of the fleet. It is almost a heresy in these days for a civilian to criticise the Navy (unless it be favourably), yet it is no uncommon thing for one who looks on to see points in the game that escape the notice of those participating therein. There is one particular point concerning which the civilian, as a class, cares little and the naval man less. It is the bearing of the Navy upon the furtherance of Imperial Unity. We are an insular race and do not know much of the feelings of those kith and kin over sea who call these islands Motherland. As one who has stakes beyond the ordinary in the Colonies, I say that if we in Britain could feel for them a tithe of the sentiment of true affection that they extend to us, a vast step would be taken towards the Imperial Ideals we so frequently prate of and so seldom understand. The blood-bond requires other ties than newspaper articles. Mr. Chamberlain has shown us one wide gateway to Imperial Unity undreamt of in the days of Cobden. Yet there are other ways, lesser in importance but equally essential. It is no uncommon thing to hear said, "Why should we subscribe to your Navy? You keep it all round the British Islands." With a clearer comprehension of sea-power such remarks would cease for all time. We must create an Imperial Navy, a Navy upon which the entire Empire not only

depends but of which dependence the entire Empire possesses a complete understanding. Mr. Brodrick (now Viscount Midleton) summed up the situation in a few words when addressing the House of Commons in March, 1902:—

"I trust it may be possible that some arrangement may be made for the whole forces of the Empire to be available in case of a war in which the interests of the whole Empire are involved. An opportunity of conferring with our Colonial friends on this subject will occur on the visit of the Colonial statesmen for the Coronation, and we shall then have an opportunity of seeing how far the schemes in our minds commend themselves to the Colonies, how far they are willing to undertake the responsibility which will more closely link together the various parts of the Empire."

It is becoming generally recognised, and it is a tribute to the Imperial policy of the late Government, that, in the words of a well-known writer, "The Fleet is an instrument not merely for the defence of these islands, but for the protection of the Colonies and Dependencies, large and small." Our Colonies are desirous of maintaining naval forces of their own, and already Australia has called for tenders for the construction of sundry destroyers and torpedo boats. The Cape favours submarines, but at the time of writing no orders for these vessels had been placed. The idea of separate local navies is unpleasant, nor is the principle sound, but to those acquainted with the Colonies and Colonial feelings, the desire to possess vessels distinct from the Imperial Navy does not appear extraordinary. In the meantime much may be done by promoting firstly education, and secondly (when this has engendered sufficient enthusiasm) divisions of the Royal Naval Volunteer Reserve in every Colony we possess. As a strong supporter of the Navy League, I am all in favour of the means it employs for

educating the masses. This organisation was founded in 1805, and has branches the Empire over. It is an educational naval watch-dog at the service of the nation, for the nation, and to support the nation, for it realises that it is "the navy, whereon, under the good providence of God, the wealth, safety, and strength of the kingdom chiefly depend." It is primarily educative, however, in that its efforts are directed by means of literature and lectures to the furtherance of public knowledge of and interest in the senior service. It plays the part of a watchdog by keeping closely in touch with the progress made by foreign navies as compared with that of our own, and, should necessity arise, by agitating until obvious deficiencies in the British Fleet have been remedied or counteracted. But whilst prepared on occasion to criticise, it has been and is no part of the League's policy to interfere in matters of strategy, tactics or such features of the sea service as are the business of none but the officers at the Admiralty, who, having devoted their whole lives to a study of all matters appertaining to the sea, must naturally be better judges between right and wrong than a body of civilians, however enthusiastic.

The Navy League has, unfortunately, suffered in the past from an excess of zeal on the part of certain members, and the resultant public condemnation has not unnaturally held off that official recognition which as a public-spirited body it might otherwise have claimed. When the glamour of agitation has died down and been forgotten maybe a grateful public will recognise the spadework of its members and support it as its sister organisation in Germany is supported. To the 30,000 members and associates of the British Navy League the German Association can boast a total of 900,000—thirty times as many. This fact is worth consideration.

Of the possible value of the Royal Naval Volunteers enough cannot be said. No real enthusiast is content

merely to read and learn; he wishes also to be up and doing. Surely a nation that can collect 340,000 Volunteers and 28,000 Yeomanry should have little difficulty in forming a body of 50,000 Royal Naval Volunteers? We are essentially the "sea nation," and I look forward to the time when in every harbour around the British coasts shall be moored for training purposes a gunboat or cruiser in charge of a local division of the R.N.V.R. A grand start has already been made, but no harm can be done by a little further encouragement. The financial question is one of the most pressing at the moment, and it must remain so until the Naval Lands (Volunteers) Bill has been passed by Parliament. Writing of this, and other matters in connection with the Corps, Lord Graham, Commanding Officer Clvde R.N.V.R., says:-

"Military Volunteer corps have long enjoyed the privilege of being able to borrow such sums of money as they may require for their work from the Public Works Loans Board, and this under the term of what is known as the Military Works Act. The chief advantages are that a commanding officer requiring a rifle range or drill hall can borrow capital on security of the Subjects and Capitation Grant at 23-3 per cent. interest from the Public Works Loans Board, the principle being repaid by instalments over a period of forty or so years. The Naval Lands (Volunteers) Bill sought to extend these same privileges to the divisions of the R.N.V.R., but successive Governments have, with stony-hearted persistence, failed to find time to enact the desired measure. The result is that Naval Volunteer Divisions are compelled to borrow capital from private sources at high interestseldom as low as four per cent.—and the debt bound to be repaid at short term. It is easy to understand how these circumstances paralyse the working of the R.N.V.R. Either the Division must go without the

rifle range or quarters which it badly needs, or else be weighed with a debt which hangs like a millstone round the neck.

"Another direction in which improvement can be made is that of co-ordination of Colonial Naval Volunteer effort on the same lines as the British R.N.V.R. movement. At present there are Naval Brigades in Australia, South Africa, and India, all of which represent Volunteer effort but are miserably encouraged in their work by the Admiralty.

"For instance, the Cape Naval Volunteers applied for permission to associate themselves with the British Royal Naval Volunteer Reserve. Their request met with a flat refusal, and they were further forbidden to attach the prefix 'Royal' to their service. Both the Natal Corps and the Cape Town Corps were refused training ships, and naval instructors and stores, as also modern drill guns. Thanks to a strong interview between the Hon. F. R. Moor, Premier of Natal, the Hon. Dr. T. W. Smartt, Commissioner of Works, Cape Colony, and the First Lord of the Admiralty, Lord Tweedmouth, these refusals are promised to be overturned; and, no doubt, whenever the Colonial programme is formulated, due encouragement will be given. The principal thing that should be aimed for is an avenue whereby commanding officers of Colonial Divisions can directly approach the various departments of the Admiralty. The existing Admiralty Volunteer Committee would seem to offer this medium, at least it would do so if Colonial representation were allowed on its Board.

"The cost of these reforms would not add greatly to the amount of the naval estimates. Parliament now votes but £20,250 for the whole administration and working of the R.N.V.R.; that is a little less than £6 per head, as compared with the £25-30 for each Naval

Reserve man, and £200 for each able seaman on the active list."

One last point, and it is important in view of the close relationship it bears to the subject of the R.N.V.R., is the place in the defence of the Empire to be given to yachtsmen. To go to Cowes (mention of the Mecca of the yachting fraternity naturally includes all the lesser shrines) and see the vast concourse of fair craft is to carry the mind at once to the number of excellent naval officers and naval men in the making to be found upon their decks. Of course Naval Reserve men are there in their hundreds, but outside these there are many thousands of smart sailors, who, with a little sound training and official encouragement, might form a further admirable reserve for the Navy itself. I can conceive of no more useful Division of the R.N. Volunteers than one composed of yachtsmen officered by yacht owners. ships are ready to hand for practice work, and, by reason of their calling, the men are already proficient in all that appertains to the sea.

My limit of space is long exceeded and in the foregoing pages I am fully cognisant of many faults and omissions. Yet to "box the compass" of naval administration, to deal adequately with the Fleet from its centre and follow therefrom its hundred ramifications is a task before which an expert might well quail. No Admiralty administration can be wrong if there is held in view, as its ultimate goal, the safeguarding against all and every probable (or improbable) danger or eventuality the integrity of the British Empire. So long as it be realised and appreciated that the boundaries of the Empire are the coast-lines of other countries, we are not likely to fall into a dangerous comatose condition or allow ourselves to be beaten in the race for naval supremacy.

To sum up, it is essential, firstly and before all things, to place the administration of our Fleet beyond the deadly

influence of Party bias. This may be done by bringing the people of the Empire into direct touch with the Navy, not through the frequently untrustworthy medium of the First and Civil Lords, but through the Sea Lords them-The Treasury must be made to understand that, where matters of national safety are concerned, particularly those referring to our only line of offensive desence, it will not receive the slightest recognition. "The Radical Party ought to be denied the pleasure of assuring its Little Englander and Peace-at-any-Price supporters that it alone can see their wishes carried out of diminishing 'bloated armaments,' and we ought to be denied the pleasure of encircling ourselves in a Union lack and asserting that we are the only party which really desires and means to secure a Navy adequate to the needs of the Empire."*

The various Government Departments must be permitted a fuller confidence of suggested naval reforms and ideas for, since the Navy is the senior service (and the only truly essential one), the administration of these other departments should hinge largely upon that to be applied to it. Turning to the Fleet itself, careful consideration must be given to future estimates of international comparative strength, and the standard to be maintained must be set out in plain language and rigidly built up to. must we devote too much energy to any one individual branch of naval construction, for with the increase in size and number of units there should be a relative increase of docking facilities, repair, depôt, distilling and mother ships. The sentiment of past associations cannot, moreover, be allowed a say in deciding the proper strategical value of modern distribution and dispositions. A definite objective should be accepted and prepared against, though in so doing it would be unwise to lose all count of

^{*} The Earl Winterton, M.P., in the N.L. Annual, 1907-08, "The Navy in the House of Commons."

outside possibilities. The Fleet must be ready for anything. Lastly, encourage in the people of the Empire a permanent interest in that fighting force to which they owe so much, develop from that interest a practical enthusiasm and urge them to take a personal part in the sea-defence of the nation to which they belong. In this way, and in this way only, shall we maintain in the future that for which our forefathers shed their life blood in the past. And the heritage they have handed down to us is not an one to be cast lightly on one side.

For the British Fleet is a jealous Fleet—and only one Fleet can be,

That sails abroad with a right to claim the Sovereignty of the Sea!

And the Sovereignty of the Sea is the Essence of Empire.

ALAN H. BURGOYNE.



THE ARMY

BY

WILFRID ASHLEY, M.P.



THE ARMY

THERE is prevalent among the politicians, no less than among the voters, of the United Kingdom a practice, much to be deprecated, of leaving to experts the discussion of their military problems. While feeling as strongly as any man that the organisation administration of our armed forces ought not to be brought within the sphere of party controversy, I would gladly see the average citizen possessed of a much clearer knowledge of the questions which arise in that connection, and a far more definite opinion as to the dictates of a sound military policy. For, rightly considered, States exist primarily for the protection of their subjects against aggression from without and disorder from within; consequently among the most important departments of government are the Admiralty and the War Office. And of these two, no doubt, the Admiralty in this country must take precedence; for, as no man will sow his crops until the field is fenced, so the first of our problems, civil or military, is that of home defence, and the first line of defence is the Navy. Indeed, since it is recognised that the Navy's duty, in case of war, is not only to patrol home waters, but to seek out and destroy the enemy's ships wherever they are to be found, it may fairly be said that the Navy forms both our first and second line, while behind these two stands the defending Army.

The problem before the War Office is two-fold; in peace it must provide with due economy for the policing of the Empire; in war it must furnish an army capable of taking the field against European troops both for purposes of home defence and as a striking force

wherever it may be required. The peace army consists of the Regulars actually on service with the colours; the war army comprises the peace army proper, expanded by means of the Reserve, the Yeomanry, and the Militia, and backed by the Volunteers. The change which Mr. Haldane made in the Territorial and Reserve Forces Act at the last moment, and at the urgent instance of the Opposition, by which the Militia are to be in the future liable to foreign service, has definitely thrown them into the position of army reserve. So far the usefulness of the Militia is distinctly increased.

To secure an adequate war army for purposes of defence is clearly of vital importance, and it is commonly suggested that the present auxiliary forces are insufficient, or too poorly trained, for that purpose. upon this supposition certain people have come forward to urge that the country needs conscription for the reinforcement of the last line of defence. I am not aware that the most ardent advocates of the principle of conscription have ventured to suggest that conscripts should be liable to serve abroad; should, in fact, be called upon for any other purpose than that of home defence in case of invasion. The examples of France and Germany, which are so often quoted for our emulation, go no farther than that. Germany sent to Africa, for the suppression of the Herero rising, only those members of her conscript army who volunteered for that particular purpose, and the employment by France of conscript troops in Madagascar was as unqualified a failure as was the application of compulsory service to Italy's Abyssinian war. Even the most celebrated instance of a nation in armsrepublican Rome-found it necessary to employ mercenary troops when she began her career of oversea conquest during the first Punic War.

As I understand it, the thesis of the conscription party, and in particular of the National Service League, is,

firstly, that it is the duty of every man to defend his country from an invader; secondly, that to do so he must be trained; and thirdly, that this training should be effected by the enrolment of every sound male subject, between certain ages, in a conscript army, to be trained for six months on enrolment and thereafter for 15 days in the year. Now, to brand the advocacy of conscription as criminal, is as little reasonable as to brand the oppo-The controversy will never be nent of it as a traitor. much illuminated by mental recriminations. If, in fact, the defence of England is inadequate, and if conscription is the only remedy, then conscription we must have; but undoubtedly it is an interference with the liberty of the subject, and necessity is its only possible justification. Have the advocates of conscription succeeded in proving the necessity? In my opinion, they have not.

Whether conscription may be necessary in France and Germany, it is not for me to express an opinion; but the military problem of the United Kingdom is entirely different from that of our Continental neighbours. the last two hundred years British troops have taken part in scores of battles all over the world, but not one has been fought on the soil of Great Britain; and so long as our Navy is kept up to the two-power standard at which it is essential to the existence of the Empire that it should remain, the probability that we shall ever find an enemy at our doors is small enough. No doubt an armed raid. even a serious one, is within the bounds of possibility, and it behaves us to ensure that no such raid can possibly succeed; but an invasion, in any proper sense-an invasion such as France experienced in 1870—is impossible so long as our Navy retains command of the sea. the alternative is not worth considering in this connection. If we lose command of the sea, the problem is no longer a military, but an economic, one; the annual corn consumption of the United Kingdom is 35,000,000 quarters,

of which 27,000,000 come from abroad—our Navy once overpowered, it would be a mere waste of men and money for any enemy to attempt a landing on our shores. Starvation must bring us to terms.

It must be granted then, that the only work for which a conscript army might be called out is the repelling of a raid, and this, in all probability, at the very commencement of hostilities. If any Foreign Power hopes to effect a landing in the British Isles it must be undertaken while their Fleet is still able to put to sea and during such time as the Home and Channel Fleets may be found absent from the narrow seas where their duty lies. Now, granting—the concession is a large one—the possibility of crossing, granting even the space of 48 hours in which to land the troops before the arrival of a British squadron strong enough to overpower the convoy, the evidence goes to show that not more than 40,000 or 50,000 men, and two Powers only, France or Germany, be successfully put ashore.

Taking the very worst case, the "raid" is limited to 50,000 men, and two Powers only, France or Germany. could hope to land at all. To meet this force of 50,000 men what troops can we, under the present voluntary system, put into the field? Mr. Haldane's army scheme, under which both Militia and Yeomanry are to be liable to foreign service, has somewhat complicated the question. But it is to be borne in mind that such a raid would probably take place soon after the outbreak of hostilities, at a time when neither Yeomanry nor Militia would have been sent abroad. It is clearly understood that neither body would be despatched without some months' special training. And in the case of war with France or Germany no sane Government would allow any regular to leave the Kingdom until the hostile navies were rendered impotent and confined to port.

We may therefore assume that we should have avail-

able a number of Regulars and Reservists of which the Force at Aldershot would form a part. Then there are the Yeomanry, who are, nowadays at least, a highly efficient force, and who could put 20,000 men in the field. Besides these, we should have the Militia, who will have had, under Mr. Haldane's scheme, six months' training on enlistment, and fifteen days a year-precisely the training which the National Service League desires for the conscript army; these will amount to some 50,000 able-bodied men. Lastly there are the Volunteers, who would be embodied on the first outbreak of hostilities with either of our powerful neighbours, and who, making every allowance for those physically unfit and those not available from other causes, could, out of their strength of 240,000, provide 200,000 men. Whatever the defects in training of the Volunteers, that they are of no value at all to the country, as some of their critics would have us believe, I do most emphatically deny.

No doubt, the Volunteers are not at the present moment, and can never be so trained in peace time as to be capable of meeting the like number of European troops on an equal footing—the very fact that they are useful civilians, and as such valuable to the State, must prevent their ever attaining the highest degree of military efficiency. But there is no question of their meeting European troops on an equal footing. The case is that of 50,000 European troops without reinforcements, almost without artillery, cut off from their base, and confronted by 100,000 Regulars, 90,000 Reservists, 20,000 Yeomanry, 50,000 Militia and 200,000 Volunteers. Can it be suggested that under such circumstances the defending forces would be unequal to their task?

It is, of course, a sound objection that possibly these troops, except the Regulars, might not be embodied at the moment of attack, but the same criticism would apply to any conscript army, unless the period of training lasted

12 months. As we know, the National Service League only demands 15 days annually. The truth of the matter is that any invading force would find itself vastly outnumbered, and in view of that fact it is impossible to attribute any cogency to the suggestion that conscription is required for the purpose of increasing the number of men liable to be called out for home defence.

There is only one other purpose for which a conscript force, not liable for service abroad, can, in the nature of things, be useful; the purpose, that is to say, of maintaining order and safety within the realm. It has never been suggested that we cannot by voluntary enlistment get sufficient troops to support the civil power in case of need. And even if we could not, conscript troops would be utterly unsuitable for the purpose; that lesson has been brought home to all the world by the serious trouble among the conscript local troops of Southern France during the wine growers' revolt.

Of course, there remains the educational argument of the conscriptionist, but this has no bearing on our military problem. It may well be that the youth of the country would be the better for physical drill, though possibly the playing field is as valuable as the paradeground. But we may, at least, concede that on educational and every other ground, rifle clubs and other voluntary training organisations should be carefully encouraged.

The remedy of conscription deals only with the evils which are found or imagined in the Auxiliary Forces, but the real military problem is that of the Regular Army. That the Yeomanry, Militia and Volunteers are capable of improvement I do not question; I regret only that the new army policy of the present year is so little likely materially to add to their efficiency or to meet their needs. It is useless to attempt to conceal the fact that, so far as the Volunteers are concerned, Mr. Haldane's

Bill is largely nugatory. In addition to facilitating the creation of County Associations with very limited powers and duties, it contains only two provisions materially affecting the Volunteers. One of these is that the force may be embodied for six months' training whenever the first class of the Army Reserve is called out, but such legislation cannot affect the efficiency of the Volunteers until the training has taken place. If I am justified in my contention that any raid will probably take place within a few weeks of the outbreak of hostilities, it follows that the clause in question is no material contribution to the solution of the problem of home defence. It would, however, be of value in the event of our engaging in a war with France or Germany, after hostilities had been carried on for some time with another Power, the bulk of the Regulars, Yeomanry and Militia having left the country.

The other provision of the Territorial and Reserve Forces Act, to which I have referred, is to the effect that all Volunteers shall undergo not less than eight, nor more than fifteen, days' training in the course of each year, but this clause is so hedged round with exceptions and provisos as to make it of little practical value. The essential question is how many of the Volunteers will get that statutory training; and, as Mr. Arnold Forster has more than once pointed out, it is a fact that the War Office, under a Conservative Government, had provided that all Volunteer corps could have fifteen days' training in the year 1906, and that this arrangement was set aside by Mr. Haldane himself.

The true need of the Volunteers is not so much for mere rechristening as for organisation with a view to mobilisation, the earmarking of certain corps as willing to serve abroad in time of war, and a smaller proportion of the physically unfit. More money must be devoted to the professional training of officers and non-commissioned officers, and more attention paid to musketry. It is a common practice to point to the triumphs of Volunteer marksmen at Bisley as conclusive evidence of the standard of shooting among the Volunteers, but a few crack shots cannot compensate for a general low average; what is wanted is a levelling up of the shooting throughout the force, and it is to this and kindred matters that the War Office should turn their attention.

But while there is undoubtedly much to be done for the betterment of the Auxiliary Forces, our most pressing military problem is not concerned with them, but with the Regular Army; for when fighting is toward, it is "Tommy Atkins" who must walk in front; and however useful the Territorial Army may be in the somewhat unlikely case of a raid on British soil, or under other circumstances, as a partially trained reserve, it is by its striking force that the success or failure of a nation in military operations must be almost invariably determined. No national mistake could be so lamentable in its inevitable consequences as that of so far concentrating attention on the "citizen soldier" as to allow the Regular Army to fall into neglect.

The true military problem is that of creating an army, and the first requisite to its solution is a true conception of what an army is. It can hardly be amiss to remind the present generation of the words in which the Secretary of War a century ago, in the days of our greatest military glory, laid his conception before the House of Commons:—

".... an Army; by which I mean a class of men set apart from the general mass of the community, trained to particular uses, formed to peculiar notions, governed by peculiar laws, marked by particular distinctions; who live in bodies by themselves, not fixed to any certain spot, nor bound by any settled employment;

who 'neither toil nor spin'; whose home is their regiment; whose sole profession and duty it is to encounter and destroy the enemies of their country, wherever they are to be met with, and who, in consideration of their performing that duty and the better to enable them to perform it, receive a stipend from the State exempting them from the necessity of seeking a provision in any other mode of life."

In this sense the Volunteer can never be a part of the Army; his home is something other than his regiment, and more important than the regiment to himself. But none of the military virtues is more essential to the soldier than a certain esprit-de-corps. Two bodies of men cannot constitute one army unless they have substantially the same training, are under the same liability, and are able to fight in the same line. Not only must the man have confidence in his neighbour, but every unit that is to do its day's work must trust the unit on its flank; the corps going into action puts to itself the question of Horatius to the people: "Who will stand on either hand?"

The Militia, however, under the new scheme, are in reality a part of the Army, in this wide sense. The Militiaman has always been drawn from the same class as the private in the Line. He is, in future, to be liable to foreign service with the Line, and the Militia regiments will furnish drafts for the Regular Army in case of need. The only real distinction remaining between the two forces is in the smaller and, in my opinion, dangerously inadequate training which the Militiaman is to undergo. In the past he has had a month's training every year, and Mr. Haldane's decision that the training is to be confined to 15 days must be most prejudicial to the efficiency and discipline of the force.

The Militiaman is very commonly in civil life an unskilled labourer—at the time of enlistment not infre-

quently something of a ne'er-do-well—and to him it involves no hardship to be called out for a month in every year. In the case of the Volunteer—artisan, clerk, or whatever he may be—fifteen days is generally the longest time he can spare from his business. The Militianian can well spare a month, and one month's drill

a year would more than double his efficiency.

The result of the concession which Mr. Haldane made on the third reading of the Territorial and Reserve Forces Bill is to render the Militia practically a short service army; the recruit undergoes six months' training on enlistment, after which he returns, like the regular reservist, to civil life, coming up for fifteen days' training in each year. But throughout the period of his engagement he is under precisely the same liability as the reservist, to come up to the Line if called upon. Thus the true function of the Militia in the future will be the production of a number of reservists who will have served six months with the colours. Since the term of their engagement is to be six years, they will thus, in a sense, pass five years and six months in the Reserve. The private in the Regular Army, on the other hand, passes seven years of his service with the colours and five only in the reserve, except in the case of the Guards, who go into the reserve for nine years, after three years with the regiment.

In the end, the problem of army policy resolves itself very largely into a question of the lengths of service with the colours and in the reserve. The end of all military organisation and all army reform is to secure an army economically conducted in time of peace and capable of prompt and large expansion to meet the needs of the country in time of war. The peace army is clearly defined; it consists simply of the regular troops serving with the colours, and the lowest limit to its numbers is given by the necessity of maintaining at all times a

sufficient garrison in India, at our coaling stations, in Egypt, and in all British possessions where the presence of uncivilised neighbours or any other cause makes the presence of troops desirable. Not only must these garrisons be maintained, but drafts must be trained and supplied for their relief, and a certain number of units must be kept at home to form an expeditionary force in case of need to any quarter of the globe. But there is another consideration which must operate to determine the size and term of service of the "Peace Army," and that is the expansibility which is its necessary attribute.

The army is expanded by calling up the reserve, and the most valuable part of the reserve in its turn is created through the medium of the army; nothing is more certain than that it will be a serious misfortune if the Militia trained reservists ever come to bear a large proportion to the number of men trained in the more adequate and orthodox fashion.

Even when the whole of the Militia are included in our estimate of the reserve, it must be recognised that the army has not at the present time a sufficient power of expansion in case of war. The experience of 1800 showed that when the whole of the regular forces are mobilised on a war footing, the available reservists are insufficient in number to bring up all the units to war strength, without leaving any men over to discharge the natural function of a reserve by replacing losses and wastage of a prolonged struggle. The effective strength of the army reserve under the present scheme is variously estimated by Mr. Haldane at 110,000 and by Mr. Arnold Forster at 80,000; the regular establishment, on the other hand, including British troops serving in India, is approximately 262,000, and the effective strength some 253,000, of which a certain fraction represents comparatively untrained recruits who could not be sent to the front. The regular reservists, therefore, amount to little

more than one-third of the establishment whose deficiencies they are to make good; the figures speak for themselves, and it is easy to see how quickly this small body of men will be swallowed up in replacing the immature and the untrained privates with the colours. But what is the remedy? The relative proportion of the peace army and the reserve depends simply on the term of service in each. With seven years' colour service and five years in the reserve, the most usual term in England, the strength of the reserve should be fivesevenths of that of the regular army, but, allowing for the deficiency of the regular army below strength and for the number of men lost to the service by natural wastage in the course of twelve years, the actual strength amounts to something between one-third and two-fifths of the effective strength of the regular army. Allowing also for some 50,000 effective militiamen and 20,000 veomen who may be called upon to support the Regulars, it appears that behind every forty men serving with the colours there are fourteen reservists, three yeomen, and eight militiamen; the "War Army" is about one and three-fifths times as big as the "Peace Army," a degree of expansibility which cannot be regarded as satisfactory.

There are serious difficulties in the way of increasing that expansibility, for it can only be done by a general increase in the time of service in the reserve as compared with the time of service with the colours. Now there are three methods by which this change can be brought about. The first is that of which the late Government made trial during its time of office; the method of extending largely throughout the army the system of three years' colour service and nine years in the reserve, which now prevails in the Brigade of Guards; by this means the average colour service in the army was reduced, while the average service in the reserve was increased. And there is this to be said for the system,

that at the present moment the Guards, and the Guards alone, have a really satisfactory reserve behind them. But the Guards are in a peculiar and privileged position. In the first place, discipline is somewhat stricter in the Brigade than elsewhere in the army, there is more selection possible amongst would-be recruits, and it is therefore possible to make a Guardsman into a good soldier in rather less time than is required for the average private. In the second place, the Guards are not sent abroad in time of peace and do not furnish drafts for regiments over sea.

The necessity of maintaining the army in India with reasonable economy is a fatal objection to the extension of short colour service to the Line. The private is commonly "caught young," at the age of eighteen or little Until he has reached twenty, and has gone through considerable preliminary training, he is not fit to be sent abroad, to a tropical climate least of all. considerable part of the soldier's time is therefore necessarily spent at home; but, on the other hand, if he is to justify the expense of his voyage to any of our far Eastern possessions, he must spend a reasonable period of service abroad. Add to this the fact that on arrival in India, a certain time is necessary for the man to became inured to the climate before he can be regarded as a really effective soldier, that a part of his colour service is spent on the journey to his station, and it becomes very evident that seven years is the smallest period of colour service that can be permitted to prevail generally throughout the Line. Some slight extension of the short service system might, of course, be made, but three years' colour service is not in the usual case sufficient to produce a really reliable reservist. But it may be said, Germany produces an efficient reserve with only two vears' colour service. True, but Germany has no oversea possession requiring European troops, and the conditions of service in Germany are such as would never be tolerated in England. Where conscription exists, it is possible to work the men very much harder and to maintain far severer discipline, than in a country where the service must be rendered sufficiently agreeable to attract voluntary recruits. A still more essential factor in the efficiency of the German reserve is the fact that every man during his five years' service comes up twice for a two months' training.

The only method of increasing the expansibility of the army in time of war which remains open to us is to increase the numbers of those who are permitted to prolong their period of service in the reserve; but the objection to such a course is that after five years away from the colours a man is apt to forget his military acquirements and allow his sense of discipline to fall into abeyance. It may be possible to avoid this by making it a condition of extended service in the reserve that the man should come up for a short training on re-

engagement, or at certain times thereafter.

The latest specific for increasing the expansibility of the army is one which is likely to produce only the most morbid inflation. That the militiaman should be rendered liable to service in the Line is, on the whole, to the advantage of the Service, but that the Militia should be substituted for the Line is utterly unsound. Mr. Haldane abandoned Mr. Arnold Forster's two years' service, but he has introduced, for the purpose of creating a reserve, what is far more dangerous, a system of six months' service. The reduction of thirty-four thousand men in the regular army which has taken place since the present Government came into office, is in no sense compensated by increasing the liabilities of the Militia: neither is an increase in the actual numbers of the Reserve well purchased at the price of a deterioration in its quality.

It should be recognised that past service with the

colours is an essential qualification of a reservist. He is called up to join a regiment at the commencement of a war, or at a time when by battle or otherwise the regiment is sorely reduced in numbers and has perhaps lost some of its best men. Under such circumstances. the reservist has need to be a man of such mettle that he will stiffen the battalion, rather than demoralise it; he must be one whom his companions in the ranks can trust in action, and who can trust himself. It is the inevitable effect of the seven years' service which prevails in the British Army that, by the year 1909—seven years after the end of the Boer war-there will be few men in the ranks who have been under fire, except in some petty If war should then break out, it may be readily conceived what effect the veterans of the South African war, when called up from the reserve, will have upon the morale of any regiment; and how different will be that of a large influx of the militia boys who are to rank as reservists in the future. The misapplication of the name is only too pathetic to be laughable.

The truth of the matter is that it is of no use to have a large number of men liable to be called up, if they are not at the same time fit for service. Methods of increasing the size of the reserve might be suggested without end; but no method can be satisfactory which does not ensure that each reservist shall be a man so trained as efficiently to discharge his duty; otherwise where it was desired to create an army, you have created nothing but a mob. And the error is not a new one, if

the Secretary for War spoke truly in 1806:-

"We seem to suppose that whenever we have got a set of men together, no matter on what principle combined, have put them in a certain dress, ranged them in a certain order, and taught them certain exercises, that, as far as that number goes, we have created an army; which is about as wise as what we see of children in their sports, who, when they have fixed a piece of stick in the ground, fancy they have planted a tree. What is wanting in either case is the vital principle. We perceive this in the case of the children, but never suspect that the same is true of our own attempts, when we suppose that we can create armies without danger and without discipline. Danger and discipline are the very sap out of which all that has life and action must spring; it is from them alone must arise the real military character, as from the military character must proceed all that can really constitute an How danger must operate to this end is obvious to everyone; but it would not be difficult to show that discipline is equally necessary, and that all the high military virtues whose characteristic is courage, grow, like flowers out of dung, from a principle that is founded in fear."

Unquestionably, the reserve must be formed of men accustomed to discipline and danger, men who have served with the colours, and the reserve so composed is far too small in comparison with the number of our regular troops. But is the regular army itself sufficiently strong for the needs of the Empire?

The vital question is whether the garrisons in India and at the main strategic points are being adequately maintained; and unfortunately there is no doubt that they are not so maintained at present. The Army Council cannot evade their responsibilities in this matter by professing adhesion to the doctrines of the blue water school. It is perfectly true that the Empire depends on the Navy for its defence, but it is equally certain that the Navy depends on docks and coaling stations, and these bases it is the peculiar function of our foreign service army to protect. But that function is not properly discharged, and Malta may be cited as a conspicuous instance of the trend of our present military policy.

Malta is the base on which the Fleet must depend in any operations in the Mediterranean, and, as is but right and proper, Valetta harbour is well defended against attack by sea. But for years past officers in command at Malta have pointed out the inadequacy of the garrison for the defence of the harbour on the landward side, and in face of these protests, Mr. Haldane has seriously reduced the numbers. A hostile force landing at the back of the island could take possession of the base without experiencing any effective resistance. And what is true of Malta is true in some degree of Gibraltar and other naval bases. If the Navy would rely, as it must do, on having some port to return to after action, it will be bound to leave a squadron for the protection of each base, and so to weaken itself unduly. How expensive and absurd a method this is of protecting the strategic points is obvious enough.

The weakness of our garrisons in Engineers and Garrison Artillery is conspicuous, and we have practically no Horse or Field Artillery available for service with the Territorial Force and for the Indian Native Army. It is one of the worst features of our military organisation that those very branches of the service which are most highly skilled and which could be least quickly improvised in time of war are those in which the army is most deficient. But the deficiency is not in these arms alone. The establishment of the regular army at the present time is less by nearly 2,000 men than in 1899, before the outbreak of the Boer war. The events of that year are not yet so far forgotten as to permit of any belief that the force is adequate.

It is instructive to compare the military situation of the present day with that of a century ago.

It is true that at the close of the year 1805 we were engaged in the heaviest struggle that the country has been through in modern times; but on the other hand, Trafalgar had just been fought, and British supremacy at sea was such as it has not been at any other time; yet the Kingdom, comprising only one-third of its present population, contrived to maintain a force outside India larger than that maintained at the present day. The actual figures compare as follows:—

	1805	1907
Population of United Kingdom	17,000,000	43,000,000
Population of Empire	25,000,000	410,000,000
Area of Empire (square miles)	1,500,000	12,000,000
Revenue of United Kingdom	55,000,000	144,000,000
Strength of Regular Army		
(Exclusive of India)	185,000	177,000
Strength of Volunteers	410,000	250,000

(Exclusive of India) ... 185,000 177,000

Strength of Volunteers ... 410,000 250,000

Strength of Militia ... 101,000 90,000

I do not wish to suggest that the army ought to have been increased to an extent at all commensurate with the increase in national prosperity; but I would urge that, just as the two power standard has been adopted by common consent for the Navy, so some understanding should be arrived at as to the necessary minimum of effective strength for the Regular Army. In my opinion, the establishment of the Regular Army, exclusive of India, ought never to fall below 200,000 in time of peace. This will mean an increase of 23,000 men on the present numbers, an increase which will bring up the forces approximately to their strength in 1005-6, and which ought, in my opinion, to go chiefly to those expert branches of the service—such as the Artillery and the Engineers—who require a comparatively long training.

I do not propose to deal here with such highly technical matters as the utter deficiency of the British Army in siege artillery, to which attention was called recently by the military correspondent of the *Times*; but there is one want which must be mentioned, and which demands instant remedy. The number of available trained

officers is very seriously below the necessary minimum for the Regular Army, and the condition of things in the Militia and Volunteers is still worse.

On the whole, it is not surprising that there should be some little difficulty in securing the required number of officers. Time was when the military career was to some extent a fashionable amusement. There was little pay attached, certainly, but then there was little work to be done, and the officers were drawn mainly from a class to which the pay was no great consideration. But the circumstances have changed; the life of an officer in any regiment is now a strenuous one. Manœuvres have become the rule and not the exception; there examinations of some stringency to be passed; and the officer is very properly expected to regard the Army as a serious profession. This is entirely as it should be; but one cannot wonder if a profession in which the work is hard and the prizes few and far between has less attraction for the young man with money than had the Army of old days—and the man without money cannot afford to enter the Army. That the Army, if it is to be regarded as a serious profession for the officers, must carry the pay of a serious profession, would seem to be an inference not far to seek. We may honour the officers who are so self-sacrificing as to enter the Army under present conditions, without approving practice which confines the privilege of serving his country to the man with some hundreds a year.

In the matter of pay the private is very much better off than his officer. As pointed out by Mr. Arnold Forster, an infantry private of 20 years of age on a seven year colour engagement receives on an average 11s. 7d. per week in cash, with everything found. Few civilians of the same age and class are so fortunate. Under the circumstances, it is not clear at first sight why any difficulty should be experienced in raising recruits of a reasonably high standard of intelligence and physical Undoubtedly the quality of recruits has improved of recent years, but the maintenance of the Army requires some 36,000 recruits in each year, and experience shows that, in the average year, that number can only with some difficulty be obtained. In years of trade depression, recruiting is good, and the Army is not infrequently in excess of establishment; but in good years there is a very serious falling off in the number of recruits obtainable, and statistics show that, during the past fifteen years, the regular Army has twice, even in times of peace, been more than 12,000 men below establishment. It is a necessary consequence that in times of stress, when more than the normal number of recruits are needed, it is necessary either to offer a substantial bounty or to reduce the standard of qualification.

It would be a happier state of affairs were admission to the Army as much sought after as that to any other honourable career. The chief reason that it is not so, is, I think, to be found in the fact that, to the private, the Army does not offer, unless he should become a noncommissioned officer, any career at all. It is only an episode, and he knows well that after seven years he must leave the ranks and take his chance of finding employment elsewhere. "Soldiering" to the recruit is not a profession, but an indiscretion.

For the most part, a civilian, in whatever rank of life, when entering the service of a good master, expects to find continuous employment there in some capacity, unless he loses it through his own fault. The Government might well take example from the subject. If it were definitely understood that at the termination of his seven years' service, the Government would give a preference to old soldiers in such employment as it has to offer, there would, undoubtedly, be a distinct improvement in

recruiting. Barrack accommodation also has a considerable influence on recruiting, and ours is undoubtedly behind the times. The Guards' barracks at Stockholm, which I visited last autumn, are patterns which the Army Council would do well to copy.

It is to the development of an Army, well officered, well manned, well armed, and supported by an adequate reserve, that the attention of Army reformers must first be turned. For it is the professional army which must bear the first brunt of a war, and, in nine cases out of ten, must decide the ultimate issue. No amount of patriotism and no personal superiority as man to man can save the Englishman from humiliation without the development of that technical skill and those peculiar virtues which can be fostered only in a professional and permanent army. In these days, when the art and science of war is becoming, like every other department of human enterprise, more and more highly specialised, it is more than ever necessary to cast off the military ideals of feudalism, and to rely on highly trained and regular forces for the conduct of any war in which we may be involved. At the beginning of the twentieth century, Mr. Wyndham's words must carry more weight than they did in the Napoleonic wars, and might with advantage be studied by Mr. Haldane, who seems to have such faith in a Reservist trained on a Militia basis.

"The armies are the champions on each side, to which the countries severally commit their quarrel, and when the champion falls, the cause is lost. The parties are heard only by their counsel. In how many instances has it ever happened that, when the army was defeated, the contest was restored by an insurrection of the people at large? The people in mass are like metal in ore, and as all the iron that came from a Swedish mine would never hew a block or divide a plank till it was wrought and fashioned into

the shape of a hatchet or a saw, so the strength of a people can never, perhaps, be made capable of producing much effect in war till it is extracted partially, and moulded into that factitious and highly polished instrument called an Army."

WILFRID ASHLEY.

A CITIZEN ARMY

BY

HENRY PAGE CROFT



A CITIZEN ARMY

A Territorial Army is a useless encumbrance if the extreme "Blue water" theory be a correct one. But admitting in the first place that we may again have to fight a European Power, as we have so often done before, and in the second place that it is possible for a hostile force to land on our shores, then a Territorial Army is a vital necessity.

Before any scheme entailing such a national sacrifice can be taken seriously it becomes necessary to prove the possibility of one or both of the foregoing events hap-

pening.

In the first place there has hardly ever been a Continental War in which England has not been compelled to take part, and to-day, with our treaty obligations to uphold, we are just as likely to be drawn into a European struggle as in the past. Here, then, is one reason for the establishment of a Territorial Army.

In the second place there is always the danger of a European combination against us, which might have for its object the enticing of our fleet to foreign seas, whilst

an invading army crossed the Channel.

Again, supposing our fleet were occupied in fighting elsewhere, it is not inconceivable that a neutral Power would seize the opportunity to invade our shores, covering an invasion with its whole concentrated fleet, and appearing on the British Coast before war had been declared or was even expected.

Oddly enough, people who deride the possibility of an invasion of England are to be found in our midst to-day, though every foreign strategist from Julius Cæsar down

to Napoleon, and from Napoleon to the present day, has considered the invasion and even conquest of Great Britain as perfectly feasible.

Lastly, we are too much inclined to lull ourselves into a false sense of security by believing that at the worst we should only have to reckon with two hostile powers at a time. But have we so soon forgotten that during the Boer War, when the world thought our downfall was imminent, nearly every foreign country showed us quite clearly that they detested us, and that our humiliation would give them the greatest satisfaction? unexpected always happens. Trouble between Canada and the States of America, or India and Russia, would afford an opportunity to our rivals on the Continent which they would certainly not be slow to take advantage of. In such circumstances England, as in the past, might once more find herself fighting half the world, and at an increased disadvantage, namely, that whereas in 1801 the British Navy was superior to the combined forces of all Europe, to-day, when our commerce protectors are separated from our main fleet, the issue between ourselves and the two next greatest Powers would be far from certain.

These several facts tend to show that to rely solely on our fleet is the height of folly. Thus it is essential that we should have a large and well-disciplined force which will be able to defend the country against any possible invasion.

In order to emphasise the vital necessity for such action this necessarily brief chapter is written. No attempt is made to go into detail, and no mention is made of costs, both of which must be left to experts. There is no doubt, however, in the mind of the writer that the scheme here proposed is the most economical, having regard to efficiency, which has, as yet, been considered, whilst in addition there is a probability, almost amounting to

certainty, that the material raised in the Citizen Army will be such as to make it possible considerably to reduce our present expenditure on the Regular Army.

No cost, however, should be considered too great if by the adoption of this scheme the possibility of war is reduced, as it may well be if the land forces of the King are held in the same respect by foreign countries as is the British Navy to-day.

The Regular Army has been treated elsewhere. The object of this chapter is to show that an efficient reserve force, composed of the manhood of the nation, can be formed for that Army by a system of National Military Education.

Almost all students of military history are agreed that the present land forces of the Crown are insufficient for our needs, and all are convinced that we cannot expect in existing circumstances to keep our relative position in the world, taking into consideration the rapid growth of the populations, and consequently of the armies of the Continent, of the United States, and of the East.

If we allow that the Regular Army is an efficient force, and ready to strike instantly in any part of the world, after the manner outlined in the chapter dealing with the Army in this volume, the problem now is to enable that Army to expand in time of national peril, and to supply it with efficient troops to fill the gaps caused by the wastage of war.

During the South African war the United Kingdom was denuded of regular troops, and in addition 51,000 of the Militia, nearly 3,000 Yeomanry, and 26,000 Volunteers were sent to the seat of war. The people of this country probably never realised that during the middle period of the war there were in the British Islands only a few provisional and composite regiments hastily assembled; that half the Militia was in South Africa or the Mediterranean; that the Volunteer force was not only

depleted of its best men, but was, in addition, underofficered, without transport, and admittedly unfit to meet
regular troops. Such was the state of affairs in 1900.
If, during that year, 10,000 regular troops of a Continental Army had succeeded in landing on any part of
the coast, it is not too much to say that the country
would have been thrown into a state of utter panic.
Stocks would have fallen, with ruinous results to investors. Trade would have been dislocated. And even
supposing our armed mob of half-disciplined men could
by force of numbers have defeated the invaders, the monetary loss to this country would have been stupendous.

This possibility must never occur again, but it can only be avoided by a patriotic effort in which all must take a share, for only by an entire revolution in our military system can we hope to secure the Empire, and, indeed, the heart of the Empire itself from military extinction in years to come. It is, therefore, essential to formulate the scheme of a National Citizen Army as an

integral part of our policy.

The first step of all is that every boy in the land shall, whilst at school, do half an hour's drill every day, physical and military alternately. The latter would include aiming drill and the use of arms. During the last two years of his school life he must go through a moderate course of rifle practice at a miniature rifle range. On leaving school he should receive a certificate stating that he had fired a requisite course of musketry; if his eyesight was defective, or if he were physically unfit to undergo the regular drill, it should be mentioned on the certificate. On leaving their elementary schools every effort should be made to keep the lads interested in military affairs. Rifle Clubs and the excellent Boys' Brigades, which are now happily so common, should be expressly encouraged if not actually assisted.

In the case of boys leaving secondary schools the

problem is easier. Boys remain at the latter two or three years longer than at the elementary schools, and most of the secondary schools have, or should have, cadet corps. On leaving school the lads should be encouraged to remain in the cadet corps of their own or some other school till they attain the age of eighteen years.

Granted that we possess a Regular Army, our first duty is to find a force which can feed that Army. This can be done in the following manner by providing:

- (I) An improved Militia liable for service abroad in time of war.
- (2) An improved Yeomanry also liable for service abroad in time of war.
- (3) A local or Territorial Army for home defence.
- (1) The Militia would be retained exactly on the lines that existed prior to Mr. Haldane's alterations in 1907. But every man who joined the force would have passed through the Territorial Army. He would, therefore, be a trained man, who, having thoroughly mastered drill and shooting, would be able to devote most of his annual training to field practice and the higher arts of war. Thus the continuous work on the parade ground which most Militia battalions have to carry on till the end of their training would be dispensed with, in addition to the cost of the preliminary training. Officers who qualified for the Militia at the age of eighteen would be excused service in the Territorial Army.

The Militia ranks would naturally be fed by those members of the Territorial Army who displayed a taste for soldiering, and wished to continue their service. They would, therefore, probably be a very good class of men, and would be twenty years of age on transferring themselves to the Militia. The writer estimates that the Militia would average at least 100,000 strong under this arrangement. It is probable that many gentlemen who at present do not give their services to their country

would qualify for the commission ranks as an alternative to serving in the Territorial Army.

(2) The Yeomanry would serve for five years as a minimum and five years in the Reserve. Like the Militia they would be under military law. In order to attract a class of men able to provide their own horses all Yeomen would be excused service in the Territorial Army. It would, however, be necessary for them to serve one month annually for five consecutive years as a minimum; and to serve a two months' recruit course during their first year at a cavalry school. The recruits would join at the age of eighteen, at which time it would be necessary for them to present their school certificates for efficiency in shooting. As in the case of the Territorial Army the Yeomanry would shoot a course annually between the ages of 18 and 30. All men during their five years' enrolment would be liable for service abroad, while those who had served their five years would be held liable for service within the British Isles in the Yeomanry Reserve until the age of 35.

The Yeomanry would find no difficulty in securing officers and men. There are many who would rather join that branch of the service, with its month's training, than serve continuously in the evening for two years in the Territorial Army after the manner explained in the next paragraph.

(3) With the exception of those serving in some other branch of the military forces of the Crown* every young man in the country should, if physically fit, join the Territorial Army on attaining the age of eighteen, and

Ministers of religion of all Denominations, the Police, and workers in Government Arsenals and Docks would also be exempt.

^{*} This includes the Militia, Yeomanry, and Naval Reserve. In addition bona fide members of the Mercantile Marine would be excused the training but would be liable for service in the Royal Navy when all the Reserves had been called out.

undergo two years' military training, such training to consist of one and a half hour's drill or field work on four evenings every week, five afternoons each year for shooting, and fourteen days in camp for battalion drill, etc., or in a fortress for instruction as garrison artillery.

The Territorial Army would be liable to be embodied in times of stress, and would be available for home

defence.

It is claimed for this scheme:

(a) That it will provide an effective fighting force for home defence;

(b) That it will not dislocate the commerce of the

country;

(c) That it will give every able-bodied man a man's share of citizenship without injuring or interfering with his profession or trade.

(d) That it will improve the physique and character

of the British people.

The training outlined above would, with the exception of the period of residence in camp, take place locally, as is at present the case with the Volunteers. Drill centres would be formed in every town, and in those villages which are sufficiently large to form companies. Where groups of villages were within easy reach of each other drill centres would be formed in the most central. In very scattered parts villagers who were unable to attend drills would perform three years' service with the Militia as a minimum.

It is estimated by the National Service League returns on the basis of the 1901 census, that 125,000 lads on an average will annually become liable for service. The country would, therefore, always have a Territorial Army of 250,000 home defence men actually undergoing training, with a reserve of some 1,800,000 men over twenty years of age and under thirty-six. The whole of this

force would be efficient shots, and far more highly trained than the present Volunteer force. The British Army, which now costs double that of any other power, could be largely decreased in infantry and consequently And it would then be ready to leave the country immediately to fight in any part of the world; and at the same time we should have in reserve the Militia. probably 100,000 strong, and the Yeomanry some 30,000, both also liable for immediate service abroad. And in addition there would be a home force capable of providing unlimited drafts of highly-trained citizen soldiers who would volunteer in large numbers at the outbreak of war, as the British citizen has always done in the past. But under the above Citizen Army scheme the Volunteer would be a trained man utterly different from the citizen soldier who volunteered towards the end of the South African war, who could not shoot, and whose knowledge of practical field work was necessarily nil.

Any one who knows the Volunteers will agree with the writer that splendid and willing though the material may be, the discipline of the force can never be what it ought unless military law be applied from the beginning of their training. Therefore it is essential THAT THE MEN OF THE TERRITORIAL ARMY SHOULD BE SUBJECT TO MILITARY LAW WHENEVER ON PARADE.

The staff required for this force would be:-

One Drill Instructor specially selected from the Regular Army for every Company of 100 men.

One Lieutenant-Colonel on full pay for every Territorial Regiment of ten companies (1000 men).

Two Majors on half pay for each Regiment.

One Adjutant on full pay.

Five Acting Captains being subalterns of the Regular Army and receiving subaltern's pay.

Five Captains promoted from the Territorial Subalterns

who would receive £50 per annum and all camp expenses, etc.

The latter five Company Officers in each battalion would be raised from the existing "Volunteer Officer" material. Having duly qualified for the rank of Captain in Tactics and Drill as in the Army, they would receive £50 a year each and all expenses incurred in camp, etc.

By this means professional men able to follow any civil avocation in the daytime would be encouraged to serve their Country out of business hours with a return for their services. At the same time this method secures that their services may be easily dispensed with should they prove inefficient, since they are professional soldiers.

They would also be required to attend a month's course either at the Schools or with a regular battalion, during the Drill Season, once every two years. For this month they would receive full Captain's pay.

The Subaltern Officers would receive £25 a year and expenses. They would be enrolled for three years in the Territorial Army as a minimum, and 14 years in the Reserve (up to the age of 35).

All Subaltern Officers would have to qualify for their rank by passing an examination in minor tactics and drill before they attained the age of 18. This would excuse them service in the ranks and give them a commission.

Note.—Any of the above-mentioned Civilian Officers who can pass the usual service examination for Field Officers would be eligible for such rank, general efficiency and competence to command being taken into consideration.

At first the Non-commissioned ranks of the Territorial Army would be supplied from the corresponding ranks of the Volunteers. These men would receive a small rate of pay, sufficient to encourage them to remain in the Service under its altered conditions. They would

gradually be succeeded by men from the Territorial Reserve, in a manner to be described hereafter. By this means the pick of our present Volunteer force would be utilised until, in the natural course of events, they retired.

It is suggested that:-

Non-commissioned officers should receive 2s. 6d. per week and 3d. for every parade attended.

Every Private in the Territorial Army should receive 3d. per day and a plain suit of uniform. All expenses of camp or Garrison would be defrayed by the Government.

On attaining the age of 20 years and having served in the Territorial Army for two years, every man would pass into the Territorial Reserve. His only further liability would be a short course of Musketry every year until the age of 35 years. After that date he would be free.

On passing into the Reserve a certain number of men would be allowed to volunteer for further service in the Territorial Army. Those specially qualified would be selected for service as Non-commissioned Officers in the Territorial Army; and these would thus supersede the Non-commissioned Officers attached from the present Volunteers. These appointments would certainly be eagerly sought after, and it would therefore be possible to select the very best men in every Company. Non-commissioned Officers would retire at 35, and thus a stream of promotion would be ensured.

Besides the Territorial Non-commissioned Officers, the Territorial Reserve would have to provide transport, ambulance corps, pioneers, etc., the details as to which may safely be left open for the present.

No one would be allowed to buy himself off. On the contrary, a proportional poll tax would be levied on the medically unfit according to their means, although those whose total income was less than £ 100 a year would be exempt. In the case of those who are healthy but unfit

to march or stand the strain of a campaign, employment would be found in time of invasion. Thus, a man who was flat-footed might be told off as a transport driver, and a bricklayer or bricklayer's labourer as assistant to the Royal Engineers; and similarly blacksmiths, veterinary surgeons, doctors, and cooks would be on the strength of the Territorial Army, and would be called up to fulfil their duties wherever mobilisation might take place and their services be needed.

Severe criticism will certainly be directed against this scheme. It may, therefore, be well to attempt to meet some of the inevitable objections in advance. probably be said that this is too drastic a change. this I answer that the present system, however tinkered, has never been, and never will be, a success; therefore, any change must be revolutionary. Again, it may be urged that nothing short of conscription is any use. I reply that there is no likelihood of any party in the State advocating a system such as exists in Germany or France, yet by this scheme every individual would bear his part in the defence of his country, and no man would lose his work or suffer professionally thereby. Others will say that this scheme introduces militarism into the country. I answer that, if there are nearly 2,000,000 men trained to arms in the British Isles, apart from the Regular Army, war will become far less probable than it is now, when our weakness is a temptation to any strong aggressive. power which finds it must have colonies in which to settle its ever-increasing population, and which must therefore wish to seize part of the British Empire, where alone there is room for colonisation, in order to provide living room for its surplus citizens.

And finally, if it be loss to learn the art of serving one's King and Country, even the extreme faddists will have to admit that the character of the British race will gain, in that its manhood will learn discipline and acquire steadiness, whilst the physique of the Nation will be greatly improved.

It will be asked how sufficient Regular Officers can be found to supply the needs of the Territorial Army. this I answer that, if promotion is much quickened, there will be far more men who will take Commissions, and far fewer Officers, many of whom to-day have no chance of command, will leave the service after a few years, as hundreds are now doing. Again, when universal service is the rule, the Commissioned Ranks will be greatly sought after by every person with any ambition. Once the Mother Country has shewn that she is determined to put her house in order by the adoption of Universal Military Service, there is every probability that the people of the Colonies will undertake to fulfil the same obligations as the British Citizen at home. In this way a great Imperial Army would come into being, while Staff Colleges could be formed in every great Colony, and Officers could be interchanged.

Each Colony would then possess a carefully-prepared scheme for its own defence, and every province of the Empire would be competent to resist any sudden raid, thus leaving the British Imperial Regular Army free to concentrate at any given point of special danger.

The whole organisation would be controlled and the plan of campaign formed by an Imperial Committee of Defence, which would sit in London, and which would include representatives of every Colony.

If the Military needs of the Empire are organised in this way the British race need have no fear for the future, for its voice will be dominant in the Councils of the World.

Secure in its own strength, it would possess a controlling influence that would prevent war, while its united power would ensure the permanent peace of the World.

HENRY PAGE CROFT.

RELIGIOUS EDUCATION

BY

MICHAEL H. TEMPLE



RELIGIOUS EDUCATION

OF all the controversies of our time it will, I think, generally be admitted that the Education controversy is at once the most complicated and the most important. It is the most complicated because every approach to a solution is barred by invincible prejudices and contradictory principles, and the most important because on it hangs the future character of the nation. Our opponents have known very well what they desired, and have contended for it with an energy and a singleness of purpose which are altogether admirable. We, on the other hand, have been less concerned with the maintenance of our own principles than with attempts to discover how little, at any given time, it is possible to concede to theirs. In short, we have acted as Conservatives instead of Tories, and the utter confusion into which we have been thrown is the natural consequence and, I make bold to say, the just punishment of that always disastrous choice. The time has come for us to look the facts in the face and once more to take our stand upon principle instead of upon expediency. tunism can at best be only temporarily successful, and, as a permanent policy, it ought to be impossible for an historic party, justly proud of great traditions and conscious of vigorous life. The Act passed by the late Government was, no doubt, an honest attempt to secure a peaceful settlement, but it suffered from that straining to be clever which was the bane of Mr. Balfour's administration, and its ingenuity was so patent that it roused indignation in the very quarters it was intended to placate. It is only just to say that the abortive Bill.

upon which his Majesty's present advisers did not think it desirable to take the sense of the country, suffered from precisely the same defect, and had the further disadvantage of not being even honest or in accord with their own pre-election pledges. With that, however, we need not for the moment concern ourselves. Our business is to find some holding-ground of principle for our own party, to which it may safely anchor itself. Is it possible to do so?

In 1870 the Tory Party, then almost as much under Conservative domination as it is now, surrendered a great principle by allowing Mr. Forster's Elementary Education Act to pass in the form in which it was entered upon the Statute Book. Timid counsels prevailed, and the right to have the State religion taught in the State Schools, with, of course, proper safeguards for the consciences of those who could not conform to it, was finally abandoned.

The establishment of the Board Schools, with their "undenominational" teaching paid for out of public money, was the first step towards the Disestablishment The Church was, indeed, left, for the of the Church. time being, in possession of the schools which she herself had built; but, side by side with her system, was erected one which had all the assistance of the State in competing with it, and which, under the disguise of religious freedom, was used to establish Nonconformity. Churchpeople were required to support their own schools and, at the same time, to contribute to rates out of which the rivals of those schools were maintained. their control over even their own schools was filched from them, until it now seems only a question of time when it will be altogether lost. There can be no question of going back to the principle which was abandoned in 1870. It is doubtful whether it could have been asserted with any prospect of success even then; it is certain that

it is hopeless to think of doing so now. For good or for evil, we must accept one fact—that the State will not consent to enforce definite religious teaching in its own schools. It may be-in all probability it is-very much to be deplored that the Church Catechism may not be taught in school hours to all English children whose parents do not object to that much maligned instrument of education. But the politician who proposed to make it compulsory, or even optional, would simply throw away all chance of further usefulness, and might as well retire into a monastery at once. May I say, in passing, that nothing shows more clearly than this fact the vigour and the unscrupulousness of the attack which we have to face? For years past Liberal pulpits and Liberal platforms-they are almost the same thing-have rung with denunciations of the Catechism and of the iniquity of those who desire to teach it. These denunciations have almost invariably been directed against one particular phrase in "My Duty to my Neighbour," which is persistently and consistently quoted as "to do my duty in that state of life unto which it hath pleased God to call me." From this has been deduced the moral that the aim of the Parson and the Squire has been to inculcate in the children a drowsy contentment with the station in life in which they happen to have been born, and so to assist in the great conspiracy for "keeping the lower orders in their proper place." The actual words are, of course, "to do my duty in that state of life unto which it shall please God to call me," an ideal which, one would think, even Dr. Clifford might consent to put before himself. So persistent has been the substitution of "hath" for "shall," that I do not believe I am overstating its effect if I say that nine electors out of ten accept the first form of words as the correct one; and have in consequence reached a conclusion which no amount of argument will serve to shake.

During the long progress of the conflict over religious education there have, of course, been partial successes on the side of those who have struggled for definite religious teaching. I do not think, however, that any candid observer can deny that, on the whole, the battle has gone against them, and that this generation has seen the establishment of Nonconformity on a gigantic scale in the elementary schools. "Simple Bible teaching" is Nonconformity, and, so far as I know, no Nonconformist has any reason to be anything but satisfied with the elementary schools in which it prevails. otherwise, the strong attachment of the vast majority of Nonconformists to the various religious bodies to which they belong would compel them to copy the example of Anglicans, Jews, and Roman Catholics, and create a school system of their own. notoriously do not attempt to do on any universal scale, and it would be a gross and unfounded insult to the strength and reality of their religious convictions to suppose that their failure to do so arises from anything but satisfaction with the form of teaching now favoured Churchmen have certainly no right to by the State. blame them if, being thus satisfied, they endeavour to make the system universal. They are just as much entitled to secure the establishment of Nonconformity in and through the elementary schools, if they can do so, as the former are to struggle against the disestablishment of the Anglican Church. It is a question not of ethics, but of the point of view, and neither side has the smallest right to blame the other for the pursuit of an object conscientiously believed to be for the benefit of the nation. Only let us be honest with one another and drop, once and for all, the pretence that we do not desire and are not intending to secure for the children of the country an education which, on the religious side, shall be as far as possible in accord with our own convictions.

The National Free Church Council has left its opponents with no ground of complaint, in this respect at all events, for its programme is perfectly plain and definite. For the information of those who are not acquainted with the constitution of this body, I may say that its object is to federate seventeen Dissenting bodies, which include 2,000,000 Communicants, 401,000 Sunday School teachers, 3,471,000 Sunday School scholars, 9,638 ministers, and 55,000 local preachers, and that, to a large and growing extent, it does represent this great mass. It may, therefore, be taken as fairly representative of English Nonconformity, and there are very few Nonconformists who would oppose a programme which was endorsed with its imprimatur. Three years ago this body formulated its educational programme, which I give here in order that it may be understood how entirely it justifies what I have written above. follows :--

- "I.—That the system of national education shall recognise only one type of public elementary school, viz., schools provided and controlled by a public education authority.
- "2.—That denominational school buildings, if required and suitable for use as provided schools, may be rented or purchased on equitable terms for the purpose of elementary education, due regard being had to the existing rights of the public in such buildings.
- "3.—That all schools maintained by public funds, whether by rates or taxes, shall be under the sole management and control of representatives appointed by the method of popular election.
- "4.—That there shall be adequate provision for the training of all teachers of public elementary schools, free from theological and ecclesiastical

- tests, and under the sole management and control of the popularly-elected education authorities.
- "5.—That no ecclesiastical or theological tests shall be applied in the appointment of teachers of publicly-supported schools or training colleges.
- "6.—That no distinctly denominational teaching or formulary shall be given or used in public schools in school hours; but simple Biblical instruction may be given according to a syllabus, as is general at present in provided schools; attendance at such instruction shall be subject to a conscience clause.
- "7.—That the foregoing provisions shall also have reference to secondary education as far as they may be applicable.
- "8.—That women shall be eligible for election to any local education authority throughout England and Wales, and including London."

Now, it is with no intention of being in the smallest degree offensive to Nonconformists that I say that the majority of their opponents would very much rather see no religious teaching in the elementary schools at all than such teaching as is contemplated in this programme. To the minds of Anglicans and Roman Catholics, "simple Biblical instruction" is of less than no value at all. They do not hold that a child of tender years can extract a satisfactory exposition of the Christian Faith from a Bible which his teachers are not permitted to explain to him, and in the multitude of denominations, all claiming to be founded upon the Bible alone, they find proof positive to the contrary. They may be right or they may be wrong. I am not concerned to inquire into the question. All that is necessary to my argument is that this conviction is with them quite as strong as the belief of their opponents in the all-sufficiency of the Scriptures in and by themselves. It is difficult to see how either side can possibly give way to the other, since on the one hand is an intense dread of what is thought to be Romanizing teaching, and on the other of the propagation of schism. There is no common basis for agreement to be found, and it is better at once to admit the fact and face it.

The difference between the two sides is temperamental, and therefore insoluble, and, in the meantime, the children suffer. A great part of the energy which ought to be directed to the advance of education is expended in mere heat and quarrelling, taking up the time and strength which would otherwise go to fitting the children for the battle of life. It is marvellous that with this tremendous waste of motive power we should have done as much as we have, but we are beginning to understand that what we have done is very little compared with what some of our most dangerous rivals have accomplished, and that we must make a real effort if the next generation is not to be hopelessly outclassed by the foreigner. Englishman who takes the average child of working-class parents in either France or Germany and compares his attainments and intellectual development with that of a boy at an English elementary school will be very disagreeably surprised at the inferiority of the latter, both in actual knowledge and in capacity for thinking. He will come away from a little amateur examination of that sort with a very deep conviction that the sooner our pastors and masters can agree to differ on the religious question and get on with the education of the children in the other departments of knowledge, the better for the race.

The only practical solution of the difficulty which now impedes all educational progress in this country is, I conceive, for both sides to agree to abandon religious

instruction in the elementary schools altogether. that most people feel that we must come at last, and we would prefer to see the Tory Party boldly adopting and advocating this solution rather than grudgingly accepting it when it becomes inevitable. I know I shall shock a great many excellent people for whose sentiments I have the greatest respect by propounding this view, but my comfort is that I find more and more of them coming round to it every day. Since we abandoned the principle that the religion of the Established Church ought to be taught in the State Schools, there has been no firm ground for us and will be none until we accept the corollary of that surrender; the principle that the State, as such, is not concerned with religious education at all. We have accepted the conception of an Agnostic State in our Parliament and in all public employments—very much, it may freely be admitted, to the advantage of the country; why should we not admit it in the case of the schools? If it were possible to maintain the control of the Established Church over the elementary schools which her energy has created, there would be no need to seek for so drastic a solution of the difficulty, though sometimes I am not sure that the existence of the two opposing systems of religious education side by side is not a worse evil than the banishment of religion from the schools. But, in spite of the defeat of the Government's Education Bill, it plainly is not possible to hope that the evil day can permanently be staved off. It is but a question of time when the only alternatives between which we shall have to choose will be the establishment of Nonconformity, under the guise of "simple Bible instruction," in all the elementary schools without exception, and the exclusion of all religious teaching. It is better and wiser-or so it seems to a great many of us-boldly to take the bull by the horns and accept the less objectionable alternative

while we are in a position to turn our acceptance to some account.

Paradoxical as it may seem, I believe that in the acceptance now of the second alternative lies the best hope for the preservation of religious teaching for the children of this country. The energy which is now wasted in maintaining a struggle which is felt to be more hopeless every year would then go to the creation of a really efficient system of Sunday schools, such as the Weslevans, to their everlasting honour, have so successfully carried out. I do not think that, if the system of Sunday schools were worked with energy and intelligence, there would be any need to be greatly alarmed at the substitution of it for the present religious instruction in school hours. It would, of course, be voluntary, so far as the children were concerned, but it need not be any the less effective. The difficulty with Sunday schools, as they are worked at present, is not to find scholars, but teachers; and I shall endeavour to show presently how the latter might be obtained. children of the working classes find the Sunday school, when they are encouraged to come to it and it is made reasonably attractive, a welcome relief to the tedium of Sunday afternoon. Their parents are more than glad to know that they are safely disposed of somewhere outside the house during some of the hours which they can spend in quiet together. Even in homes where evil influences are dominant, it is a matter of common observation that parents who never think of attending either church or chapel themselves encourage their children to attend the, I am afraid I must say, ineffective and unattractive Sunday schools which are at present almost Such a change as I am suggesting would unquestionably be accompanied with a revivification of the Sunday school system and the infusion into it of something of the enthusiasm which inspired Raikes

when he first approached his great task. We might fairly count on the energy of the Anglican Church being turned into this channel, and, if it were properly directed. I am convinced that we might look forward with confidence to the result. It would be, I think, a necessary corollary of the abandonment of religious instruction in school hours and the substitution for it of Sunday teaching that no attempt should be made to use the schools themselves for Sunday school work. We want to begin the new system without giving our opponents any reasonable ground for complaint or criticism and without leaving any sense of inequality or unfairness. This it would be almost impossible to do if the schools were retained for Sunday use, and their retention would deprive us of the right to object to the use of some of them in London and other large towns for the propagation of other creeds. Why should not the churches be used for the purpose? Many of them are so used already, and no particular objection seems to be felt. As to the propriety of such use, there cannot, I venture to think, be two opinions. No church can be put to a better use than to supply a place in which the children of church people may be taught the faith of their fathers, and to those who would oppose objections founded on possible disorder, injury to the fabric, and so forth, I would venture to recall a certain touching sentence which fell from the Master Himself. "Suffer little children to come unto Me, and forbid them not." are words which might be inscribed without impropriety upon the walls of the most splendid temple ever raised by the hands of men.

No doubt it will be said that religious instruction, as it is now given in Sunday schools, is of very little value, and that the clergy, taken in the mass, have not the technical skill in teaching which would be required to make the new system a real success. The objection is

more apparent than real. The failure of Sunday school teaching is due, in the main, to the incompetence of Sunday school teachers. They are not paid for their work, and for the time which they devote to it they deserve much gratitude. But they are not, except in rare instances, skilled teachers at all, and know nothing of those means for holding the attention of children and for impressing a lesson upon them, in which the teachers in the elementary schools have been systematically trained. An essential part of such a system as is here suggested is that the Sunday school teaching should, in the main, be carried out by the trained teachers, and not by amateurs as at present. would be no difficulty in obtaining them. Of course, they would have to be paid, but the payment for two or three hours' work on a Sunday need not be large to attract men and women in every way capable. sidering what is the salary of the average teacher in an elementary school, it is tolerably certain that a payment of £,20 per annum would be eagerly accepted. That payment would be entirely distinct from the salary received by the teacher in his professional capacity, and there would be no sort of obligation upon him to accept the work if he did not so choose. The incumbent of the parish, having no more and no less control than any other citizen over his appointment to the parish school, could not be supposed to tyrannise over him or force him to do anything which he regarded as irksome. The whole matter would be one of private arrangement between themselves, the incumbent being free to place him or any other suitable person in charge of the Sunday school, and the teacher being equally free to accept or reject the offer if it were made to him. That such elementary school teachers as were appointed would work loyally under the supervision of the incumbent, and would give religious instruction in accordance with his wishes, need not, I think, be doubted for a moment. The most extreme opponent of the Established Church would hardly deny the right of her clergy to teach her doctrines in their own churches or to employ others to do so. Questions might arise here and there whether the doctrines so taught were such as the law sanctions, but that difficulty must always be possible while there is any sort of connection between Church and State, and even Nonconformists have found before now that the Court of Chancery will strictly enforce the teaching of doctrines specified in their trust deeds.

It may perhaps be said that the position would be a very different one where the religious views of the headmaster of the parish school and of the vicar of the parish happened to be altogether divergent. To this I reply that the difficulty could certainly not be greater than it is at present, and might very well be less. It is most improbable that the education committees of the various County and Borough Councils would deliberately go out of their way to appoint to the supervision of the village school teachers entirely out of sympathy with the local clergyman. They might do so here and there, but I think it would generally be the parson's fault where they did, and, in any case, the difficulty would only arise in quite small villages. In a place of any considerable size, the incumbent would have plenty of material to select from, and it might very well happen that the same school would supply Sunday school teachers to the parish church, and to the chapels of all the other denominations as well. There could be no reasonable ground for jealousy, for the same liberty possessed by the Anglican incumbent of engaging a professional teacher for Sunday work would, of course, be extended to every other minister of religion, and the only competition between them would be an entirely healthy one.

So far as the Anglican Church is concerned, there should not be any difficulty in obtaining the funds which a really effective system of Sunday school instruction would, of course, require. The nucleus already exists in the value of the school buildings, which the education authorities would in practice find it, in almost every instance, advisable to rent, if not to buy. denies that these school buildings are as much the property of the Church as the parsonages themselves. They were built by the money of individual churchpeople, and it cannot be pretended that any such principle of confiscation as the Liberation Society favours in the case of ancient Church property can be applied to these with any shadow of justice. The most extreme advocates of Disendowment do not, I believe, propose to deprive the Church of property acquired later than the year 1815, and the schools, in the great majority of cases, of course, come well within that limit. Again and again, by the obligations it has imposed upon the managers, the State has recognised the property of the Church in the schools, and to deny it now would be to stultify itself. The National Free Church Council itself has recognised the right in the programme which is quoted above, the second clause of which runs: "That denominational school buildings, if required and suitable for use as provided schools, may be rented or purchased on equitable terms for the purpose of elementary education, due regard being had to the existing rights of the public in such buildings." In face of that declaration, a resolution to confiscate the schools without compensation is almost unthinkable, even if the honesty of the nation would permit it, which it certainly would not. Local circumstances would, in the vast majority of cases, practically force the education authorities to arrive at some agreement for the hire or purchase of the buildings. The average ratepayer is not.

perhaps, so keenly alive to his own interests as he might be, but the dullest would be aroused by the spectacle of a county or borough council building an expensive new school when an excellent building, constructed specially for school purposes and passed as suitable by the Board of Education, was standing empty. From the point of view of the Church alone, it might be better to sell the schools than to let them, but the immense capital sum required for the purchase of all denominational schools would probably frighten the ratepayers, and induce them to give the preference to hire rather than purchase. One or the other could, however, certainly be done, and if it were well understood that the noney would be allocated entirely to the maintenance of Sunday schools, there would be a very strong feeling against making the terms niggardly.

It is, of course, impossible to form any precise estimate of the amount which would be derived from the letting of the schools, but I do not think we shall be very far wrong if we fix it at somewhere about £,500,000 a year. That of itself would come very close to providing all the money which would be immediately required for the organisation of such a system of Sunday schools as that which is suggested. If more were wanted, the resources of Church endowment and the liberality of churchpeople might quite confidently be trusted to raise it, however great the sum might have to be. Between the years 1894 and 1902, when the new Education Act came into force, the contributions from those sources towards Church of England schools amounted to £6,771,286, which is at the rate of more than £800,000 a year. It would appear, therefore, that, with the rental of the schools, specific endowments, and private contributions, a sum of about a million and a quarter per annum would be available for the establishment and maintenance of the new system. This is assuredly much more than

sufficient. There is no difficulty about money; the only difficulty lies in inducing Churchpeople to make up their minds as to what it is possible, and what it is impossible, to do to preserve the existence of definite religious instruction for the children of this country.

MICHAEL TEMPLE.



ΒY

G. L. COURTHOPE, M.P.



THE land is primarily the storehouse from which nearly all human wealth is drawn. It provides food, health, employment, revenue. It produces the raw material for all the industries, and is itself the raw material for the greatest industry of all; it is an imperishable asset with infinite possibilities. The task of the politician and the statesman is so to regulate the use of the land entrusted to their care that the greatest possible advantage accrues to the nation that dwells upon it. In Great Britain, by their legislative programmes of recent years, all parties have admitted that the capabilities of the soil are not at present fully developed and that steps must be taken to increase the benefits conferred on the people by the land. While we differ fundamentally as to method, we all agree that one. at all events, of the objects to be aimed at is the increase of the agricultural population in rural districts.

During recent years the cry "Back to the land" has been heard with monotonous regularity on almost every political platform. Unfortunately, the matter neither begins nor ends with putting the people on the land. We must devise a means of attracting the right people to the land and of keeping them on the land when they get there; in other words, we must make agriculture pay. Until the middle of the nineteenth century the encouragement of agriculture was, for many generations, in Great Britain, as it is to-day in Germany, a central feature of national policy. It was considered, and rightly considered, that successful agriculture was a necessary condition of national strength and security, providing,

as it did, healthy employment for great numbers over a great area, sufficient subsistence for the mass of the people, and a splendid recruiting ground for the forces of the Crown.

It would be out of place in a chapter of "The New Order" to criticise or to defend the ever-varying details of this central policy, or the agitation which led to its being abandoned. It is the effect, and not the cause, of its abandonment with which we are concerned.

The latter may, or may not, have been justifiable or even imperative at the time, but the former has, unquestionably, been disastrous. We have become almost entirely dependent upon outside sources for our food supply, the number of agricultural labourers has decreased by more than one half, and the quality of the labour of those who remain has greatly deteriorated, while the towns have been over-crowded by the influx of thousands who can no longer earn a living on the land. At the same time, the army and navy have lost half their best source of recruits, the veoman farmer has almost disappeared, and the impoverishment of the whole agricultural community has aggravated the burden of taxation out of all proportion to the increase of the rates and taxes. Such are some of the conditions which constitute the "land question."

It is a question so thorny that no Government can approach it without misgivings, but, on the other hand, so urgent that no party can expect to retain the confidence of the country without grappling with it. A study of its difficulties necessarily includes the wide field of production and consumption, wages and prices, rural depopulation and urban congestion, local and imperial taxation, and many kindred subjects, and a solution of these difficulties will involve the question not only of land tenure, but of housing, rural education and rating,

land transfer, and, last but not least, of our fiscal

system.

How, and by whom, can such difficulties be solved? It cannot be done by the Liberal Party, who are too tightly bound by the worn-out doctrines of one-sided Free Trade either to give the necessary impetus to cultivation or to make the equally necessary redistri-Their well-meant efforts to create bution of taxation. holdings may succeed in certain favoured localities, especially if assisted by co-operation, but generally they are foredoomed to failure. The small holder, weighted down by the millstone of his many burdens and thrust back by the tide of foreign competition, will struggle in vain to keep his head above water. It is the Conservative Party alone which is free to deal with these difficulties, or can even hope to secure for our produce those fair terms which are essential if British agriculture is ever again to take its place among the prosperous industries.

If the Conservative Party desires, as it surely must desire, to achieve this great result, it must again make the encouragement of agriculture a central feature of its policy. Assuming, for the moment, that this is agreed to, let us look briefly at some of the questions which arise. In the first place, is the present system of ownership of land the best in the national interest, or should the land be nationalised or municipal ownership encouraged? It needs only a very brief glance at the facts of the case to convince one that individual ownership is the best now, and, as long as human nature remains what it is, always will be the best. To begin with, if the State acquired the land at its full value-and confiscation without compensation is too preposterous to be considered for a moment—the nation must inevitably make a bad bargain. Owing to the attraction of ownership, land always has a market value considerably above

its value as an investment; repairs and maintenance would swallow up a large proportion of the proceeds, and the net income derived by the State from the land would be far less than the interest payable on the purchase money. The State would be out of pocket over the transaction to the tune of many millions a year. Again, self-interest will move the individual owner, secure in his possession, to bestow upon the land the greatest possible amount of both capital and labour. We have not yet reached the golden age when none is for himself and all are for the State, and until patriotic self-effacement is the universal rule of British life. neither capital nor labour will be so generously applied to State-owned land. As the increased application of capital and labour admittedly secures increased production, which is unquestionably in the best interests of the community, it is, I think, clear that those interests will best be served by retaining the individual ownership of land.

From the point of view of the occupying tenant, the advantages of individual ownership are equally clear. The profits of agriculture are largely dependent upon the seasons and the state of the markets. happens that the punctual payment of rent is impossible without ruin to the tenant. A private landlord, in the interest not only of the tenant but of himself, can meet this difficulty by concession or postponement. The State, however, in justice to the community, or a county council, with its county rate to consider, cannot do this, and quite unnecessary ruin ensues. Not only does the unfortunate farmer become bankrupt, but the State or council very possibly recovers part only of the rent, which, by waiting, a private owner would probably receive in full. It is impossible to enter at all fully into the many schemes which Socialists and nationalisers" have proposed, but it is, I think, clear

that from the point of view of national advantage, individual ownership of land is not only justified but unassailable.

If we turn to the question of distribution, we must consider what type of holding the State, in its efforts to promote agricultural prosperity, should most

encourage.

It will be generally admitted that the cheapest and most effective labour is that of a man who is working solely for himself and his family. Hired labour is neither so good nor so productive. It follows, therefore, that, so far as labour is concerned, the best returns will be secured from holdings of such a size that they can be cultivated by the personal labour of the occupier and his family. It is often stated that the advantage of a small holding is more than counterbalanced by the difficulty of employing machinery. This difficulty is, however, easily overcome by co-operation. A number of small holders, working in combination, have all the advantages procured by the large farmer in respect of the use of machinery and labour-saving appliances. Agricultural co-operation is now making rapid progress. and the time is, I hope, not far distant when this movement will bring its inestimable benefits within reach of every farmer, large or small.

It is, of course, not practicable, and is probably not desirable, that all large holdings should be sub-divided, but the advantage of personal over hired labour is so great that the State should certainly endeavour to promote small holdings rather than those of a larger size.

That this has been generally recognised is shown by the Small Holdings Acts of 1892 and 1907 and by the evidence brought before Lord Onslow's Departmental Committee on the subject. The question whether small holdings should be held by occupying owners or by tenants is one about which great difference of opinion exists. The Act of 1892 favours ownership, that of 1907 tenancy, and the evidence of the witnesses before Lord Onslow's Committee is of a very varied character. This evidence, however, tends more to prove that there is, in different localities, a preference for different classes of holding than that both types are equally beneficial in the public interest.

On this latter point there was such general recognition of the superior advantages of occupying ownership that the Committee inserted the following paragraph (119)

in their Report:-

"The Committee think it hardly necessary to demonstrate that in the general interest of the community it is desirable that as large a number as possible of persons should have a direct interest in the land of the country, and that in the interests of agriculture and of the productiveness of the soil it is expedient that the numbers of those who not only occupy but also have a permanent stake in the land should be materially increased, in order that so important an industry as agriculture should make its voice heard in the affairs of the nation to a greater extent than is possible when, as now, the majority of the rural population have but a transitory interest in its prosperity."

After such an expression of opinion from so distinguished a body of experts, it is, I think, not unreasonable to assume, without further argument, that small holders who desire to purchase their holdings should be given every facility for doing so. That the desire to purchase exists is well known to all who have taken any interest in small holdings. In proof of this fact, if proof be needed, I will again quote the Report of Lord Onslow's Committee. Paragraphs 123 and 124:

"There can be no doubt that in some parts of the

country the 'magic of property' is entirely appreciated. It was pointed out that a man who can give a year's notice to his landlord is much more likely to be attracted to the towns than one whose all is invested in the piece of land which he cultivates, and that a small occupying freeholder will gladly do the work of two labourers for the earnings of one. Another potent cause of a desire to purchase is not so much the wish to become the owner of the land the man cultivates as that which actuates alike the clerk and the artisan: a desire to own a home. In some cases where men have given up their holdings they have been unwilling to part with the house upon the holding."

"The Committee are of opinion that the advantages of ownership have not as a rule been sufficiently forcibly put before those who desire to cultivate land, or the terms have been such that the additional cost of purchase has been more onerous than the small holder thinks he can afford, and that under any system such as that of the Irish Land Purchase Acts, whereby the interest and instalments of purchase money together can be fixed at a sum not greater than would have to be paid in rent, a desire for ownership might be developed among the peasantry

On the other hand, it is equally certain that many prefer to occupy their holdings as tenants rather than purchasers. Various reasons have been stated for this preference. The great fall in the value of land, the difficulty in obtaining a livelihood from its cultivation, and the heavy burden of the rates upon agricultural property, no doubt militate against the wish to own it. The tie of ownership and the curtailment of freedom to move from one holding to another, the disinclination to lessen the capital available for the purchase of stock,

of England and Scotland."

and the fear of mortgage or financial embarrassment, are all contributory causes. Every legislative or other change which tends to increase the prosperity of agriculture will tend also to promote the desire for ownership, but, for the present, a concurrent demand for rented holdings will have to be met. I have already endeavoured to show that, in cases of tenancy, it is desirable, in the interests both of the community and of the tenant, that the land should be rented from a private individual and not from the State or from a public authority. There is no lack of readiness on the part of private landowners to establish small holdings on their properties; the one obstacle which has hitherto hindered their doing so is the heavy expense of equipment and the difficulty of obtaining money for this purpose at a reasonable rate of interest. The cost of equipping a small holding is so great that the landlord often cannot let it for a rent which his tenant can afford without suffering financial loss himself.

In order to remove this difficulty, Lord Onslow's Committee recommended, very forcibly, that public loans should be authorised to landowners for the purpose of equipping small holdings. There is no doubt that this proposal, if carried out, would promote the formation of small holdings far more rapidly and effectively than any system in which the State or a county council is the landowner.

From the standpoint of national interest, it is a matter for great regret that the present Radical Government have rejected both the promotion of small occupying ownerships and the encouragement of small tenancies on private estates, and have pinned their faith to a system under which the holdings will be rented from the county councils. Their mistakes will, however, give all the greater opportunity to the Conservative Party to offer real benefits to the agricultural community. In the

brief passages in which I have attempted to deal with the distribution of land, I have hitherto touched only upon the advantage of small holdings and the various methods of promoting them. There is, however, another aspect of the subject, which calls urgently for attention. I refer to the difficulties which our present system opposes to the alienation or transfer of land. If we wish to increase the number of those who have a direct interest in the soil, it is imperative that these difficulties should be, to some extent, removed. first obstacle which stands in the way of the easy distribution of property is the system of entail or settlement, under which the inheritor of an estate finds himself to be not the absolute owner, but a mere tenant for life, with no power to deal with his property as he thinks fit. I shall not attempt to enter into the intricate questions of settled estates nor the interesting legal and legislative steps which have led up to the present system -it would take too long-but I will be content with stating the undoubted fact that this system tends inevitably to the enlargement of large estates and the absorption of small ones.

Steps should, I think, be taken to limit the restrictions imposed upon a tenant for life, and by so doing to stimulate the circulation of property. I do not for a moment suggest that the community would gain if all large estates were broken up; it would, on the contrary, suffer great loss, because, in the first place, the oldestablished landowning families are usually the best landlords and take the greatest interest in the soil and in those who dwell around them, and secondly, the maintenance of large establishments and the pursuit of sport on large estates involve the local expenditure of vast sums of money, to the great advantage of the rural community. But a judicious regulation of the power of a landowner to tie the hands of his successor would

probably check the absorption of small properties by their greater neighbours, without in any way interfering with the good landlord or checking the flow of wealth from large houses and sporting estates.

The second and more serious obstacle to the circulation of landed property is the absurdly costly and difficult process by which it is transferred from one

owner to another.

The preliminary agreement, the abstract of title, the requisitions, and, finally, the cumbrous conveyance, are unnecessarily costly and tedious, involving a vast number of communications between the representatives of the two parties, and causing great delay before a

purchase of land is completed.

The smaller the property to be transferred the greater, proportionately, is the cost of transfer, and the burden is frequently so heavy as to form a very serious impediment to the purchase of land. In another way, also, the smaller properties are at a great disadvantage. They have frequently been dealt with less carefully than is usual in the case of large properties, the title of which is usually established with extreme care and precision. We therefore commonly find on small properties an insecurity of title which renders the raising of money at a reasonable rate of interest almost impossible. Consequently the small landowner often finds himself in a dilemma, being either unable to tide over a period of temporary embarrassment or compelled to pay an exorbitant rate of interest on a mortgage, both of which predicaments probably lead to his ruin and the forced sale of his land.

It may be thought that these statements are in direct contradiction of the conclusions which I have already drawn in favour of the advantages of occupying ownership, but I would point out that the situation described above, though common, is by no means universal, and

is likely in the course of time to entirely disappear. The operation of the Land Transfer Act, passed by Lord Halsbury in 1897, will tend to remove not only the disadvantages which are inseparable from insecurity of title, but two of the lengthy and expensive stages in the transfer of land.

It is difficult to say to what extent the benefits of the compulsory registration of title established by this Act have made themselves felt, but they have certainly been appreciated in London, where the Act was first applied; and if we may draw a conclusion from the analogy of the Torrens Acts in Australia, the ultimate benefit to the community will be very great.

It must, however, be long before this ultimate benefit can be reached, because the title registered under this Act is possessory only, and it is only after a considerable lapse of time that such registration can give any security of title.

The registration of absolute title is still enormously costly, and prompt measures are urgently needed, not only to make the application of the Land Transfer Act universal, but to extend its provisions to an economical registration of absolute title, and to establish a cheap and rapid system of conveyancing.

Such reforms would no doubt be strongly opposed by those who derive their incomes from our present cumbrous methods, but the need is so great that no opposition should be allowed to delay their consummation.

Having glanced briefly at owners and occupiers and some of the difficulties which beset them, I now turn to the question, What can be done to make them prosperous?

During the last half-century the acreage under corn crops has decreased by some 40 per cent., that under

green crops by 20 per cent., while the employment of agricultural labour has decreased by fully one half.

What will bring back the labourers and put those acres again under the plough? I answer, "Tariff Reform." "But," it will be said, "you are proposing to go back to the Corn Laws and the hungry forties!" Not a bit of it! The natural protection afforded to the corn growers by the former costliness of ocean transport has faded to nothing, and no one would propose to replace it by an artificial protection.

The small duty on foreign corn proposed by Mr. Chamberlain will certainly not increase the price of the home-grown product. We shall never be a great corngrowing nation again, but we can grow other crops besides corn. Very small duties on imported hay and straw, fruit, vegetables, hops, dairy produce, poultry and eggs, live and dead meat, would suffice to make the home production of all these commodities substantially profitable. Our consumption of these articles is, in the aggregate, enormous, as is proved by the fact that in 1906 we imported them to the total value of £110,000,000, and with the exception of certain classes of fruit we can produce them all. In most cases we are well able to compete on level terms with our foreign rivals, and it is only because our markets are freely open to them while theirs are practically closed to us that we are now unable to hold our own. Potato cultivation, in particular, has great possibilities, because not only is the consumption of potatoes as food very large, but the demand for potato-spirit, which serves many industrial purposes and may probably take the place of petrol, is already very considerable, and appears likely to become enormous. Under our present system the manufacture of potato-spirit is impossible, while the continental systems give every facility for this industry, an example which we shall surely follow when our revenue system is

revised. Potatoes are also used extensively in the farina and starch industries. It is therefore not unreasonable to expect a very large increase in our acreage under this

crop.

Again, it has been shown by many experiments that sugar beet can be grown in Great Britain as well as, if not better than, on the Continent. The initial difficulty and cost of establishing a sugar industry are, for various reasons, considerable, but have been overcome in Continental countries by means of bounties. We shall not, however, be compelled to resort to this expedient, as the Brussels Convention allows a difference of 2s. 6d. per cwt, between the customs and excise duties of the countries which are party to it, and this advantage would be more than sufficient to encourage the growth of sugar beet and the manufacture of sugar at home. I am assuming, and trust that I am justified in doing so, that not even the present Government will be sufficiently insane to abandon the Convention. If the beet sugar industry is once established in this country, I am convinced that the suitability of soil and climate will enable it to flourish without any protection at all. There is also good reason to believe that we can grow certain kinds of tobacco of good commercial quality, though successful production of this article would probably require more permanent protection than would be necessary in the case of beet sugar.

Various subsidiary industries also, such as hoop shaving and the preparation of wood for use in the toy trade, which formerly gave employment to thousands of agricultural labourers during the winter months and have now almost ceased to exist, would doubtless revive again under a system of Tariff Reform, and would be of inestimable advantage to agriculture by employing the labourers during the slack season and thereby keeping them on the land.

Another proposed change which would greatly benefit the farmers and stockowners is the suggested duty on imported flour and meal; the effect of this duty would be that great quantities of wheat, which are now milled abroad and sent to this country in the form of flour, would in future be imported as grain and milled at home, thereby increasing the supply and lowering the price of the offals, which are invaluable as a feeding stuff.

Some of the products which I have mentioned, notably fruit and hops, are particularly valuable to the districts in which they are grown, owing to the very large amount of labour employed in their cultivation. Special efforts should therefore be made to increase the acreage under these crops.

Time and space have prevented me from entering into the general merits of what is known as Tariff Reform, nor is it necessary to repeat the pros and cons. which are so familiar to us all. I have therefore merely attempted to point out some of the advantages and possibilities which will be opened to the British agriculturist if the proposals of Mr. Chamberlain are carried into effect.

There are also other ways in which the revival of

agriculture might be assisted.

At present the burden of local taxation is one of the principal causes of complaint among farmers, and in spite of the relief afforded them by the Agricultural Rates Act, 1896, they have still good reason to complain.

Many services, both national and local, are at present provided out of local rates, to which agriculturists contribute largely, although they frequently derive no direct advantage from those services. The injustice of this system was recognised by the Royal Commission on Agricultural Depression, which sat under the chairmanship of Mr. Shaw Lefevre from 1893 to 1896. The

Majority Report of that Commission contains these words: "In order to place agricultural lands in their right position as compared with other rateable properties it is essential that they should be assessed to all local rates in a reduced proportion of their rateable value."

It was suggested that they should pay a quarter only of the local rates to which they were assessed. The Agricultural Rates Act, which was the immediate outcome of this report, relieved agricultural lands by half the local rates, and provided means of supplying the consequent deficiency in local taxation out of Imperial Funds.

The relief afforded by this act was very great, and there is general agreement that the farmers themselves received the full benefit of its provisions; but the burden of local taxation has increased so rapidly since 1896 that there is again urgent need of remedial measures.

The systematic draining of rural towns and villages, the lighting and watering of their streets, have in many districts imposed fresh burdens upon the farmers without affording them any compensating advantages, while the cost of the roads, the poor-rate, and the education-rate have all tended to increase. The last-named has imposed so heavy a burden that, in some cases, it is said to have absorbed the whole allowance made under the Agricultural Rates Act.

It is doubtful whether the increase of this allowance would fully and fairly solve the difficulty, and it certainly seems preferable that a readjustment of local taxation should be undertaken, and a system set up which would discriminate not only between local and Imperial services, but between services which affect a whole rating area and those which affect part of it only. A further point which deserves careful consideration is the assessment of horticultural glass-houses, the taxation of

which is now so high that it seriously checks the enter-

prise of market-gardeners.

Another subject of general complaint amongst farmers is the alleged preferential treatment of foreign imports by the British railway companies and the excessive and unequal nature of the freight charges on home-grown produce.

A few years ago the complaints had become so persistent that early in 1904 Lord Jersey's Committee was appointed to inquire into the matter. The majority reported in favour of the railway companies, admitting, indeed, the existence of preferential treatment of foreign produce, but stating that this preference was justified by the exigencies of competition, and recommending that it should not be interfered with.

It was suggested on behalf of the railway companies that the apparent grievances were caused by the lack of combination among British agriculturists and market-gardeners, and would be removed as soon as they co-operated with each other in order to transport their

produce in bulk.

The farmers were far from satisfied with the report of Lord Jersey's Committee, and still complain bitterly that they are unfairly treated by our own railways.

There is no doubt that much can be done, and in

places is being done, by co-operation in the direction of

reducing freight charges.

Many disputes also might be amicably settled if the general public realised the existence of the Conciliation Clause, and took more frequent advantage of the good offices of the Board of Trade.

But there still remains a mass of grievances which neither co-operation nor the Conciliation Clause will ever remove; some of these may be exaggerated or imaginary, but many are unquestionably real, while the situation is aggravated by the fact that the railway companies are

rapidly combining and forming a monopoly against which any individual or group of individuals is practically powerless. It is high time that some steps should be taken to secure the interests of agriculturists and the public generally; and I think this can best be achieved by following the recommendation made by Mr. Boscawen's Fruit Committee in 1905 and appointing either an official or a department to watch over the actions of the railway companies and to report to Parliament.

The next subject which demands attention is that of agricultural research and education. Much can be done in this direction to assist the farmer on the road to prosperity. In the matter of research and experimental work, and in the dissemination of scientific knowledge, we are far behind most foreign countries and all our principal Colonies. Such results as we have achieved are mostly due to the public spirit and generosity of private individuals, and it is full time that the State should take its share in this useful and necessary work.

There is no branch of the public service upon which the generous expenditure of money would produce so great results.

The annual sum involved would be comparatively trifling, and the advantage to agriculture and to the nation itself extremely great.

Agricultural education is a subject of even greater importance than research.

Reference has already been made to the exodus of the rural population and the deterioration of labour. The facts and their disastrous results are universally admitted, and yet there are comparatively few rural schools where any effort is made to give the children the inclination and aptitude to earn their living on the land.

It is not difficult to train the mind of a child to rural

pursuits, to the habit of observation, to a love of nature, and to the easy handling of simple tools. The school-garden system, where it exists, has shown excellent results—examples were mentioned by witnesses before Lord Onslow's Committee, in which the children practise at home what they have learnt at school, and themselves keep bees and poultry; others in which the knowledge gained and interest created in the school garden have been turned to great advantage in various ways.

The Board of Education should encourage this excellent system in every possible way; but this is not enough. Special importance should be attached to rural qualifications in the selection of teachers for rural schools—practical biology and natural science should take the place of chemistry and physics in the training colleges, and every inducement should be given to teachers to qualify in the practical studies of country life.

The rudimentary knowledge of agriculture or horticulture imparted in the elementary school should be augmented in the evening class and the secondary school, and a system should be established under which the instruction would be progressive and would not overlap.

To those who object to the teaching of a trade in our elementary schools, I will quote, in conclusion, the words of Lord Onslow's Committee in paragraph 150 of their report:—"It has been argued that, if subjects are to be taught in elementary schools with a view to enable scholars afterwards to earn a livelihood in some trade, either all trades must be so taught to enable every scholar to have an equal chance in life, or that no trade should be selected to the exclusion of others. Even if this be accepted, it appears to your committee that the prevention of the further aggregation of the population in the towns, and the desirability of cultivating the soil of this country so as to obtain the maximum

produce from it, are matters of such national importance that, even if no other rudiments of a trade are taught in the national schools, some knowledge of the action of nature in regard to plant and animal life ought to be as much a part of the teaching in every rural school as discipline or drill."

I have already referred on two or three occasions to agricultural co-operation, and must write a few more words on the subject before I close. The value of combination has, until recently, been little appreciated in this country, and even now great difficulty is often experienced in persuading the farmers of a district to co-operate for their own advantage. In Ireland, however, thanks to the untiring efforts of Sir Horace Plunkett, co-operation has taken firm hold and has had most beneficial results, particularly on the dairy industry, while in Holland, France, and Denmark, the movement has been carried to a high pitch of perfection.

Agricultural co-operation has been successfully applied to a number of different objects, such as the formation of small holdings or allotments, housing, credit banks, dairying, fruit-grading, the purchase of manures, seeds, feeding stuffs and implements, and the sale of every variety of produce. It frequently enables the farmer to dispense with the middleman, and secures him lower freights. It brings success to a group of holdings where a single small holder would be doomed to failure.

Its advantages are now so fully recognised by those in authority that it is quite unnecessary to enter into any detail or to bring forward arguments in favour of this movement.

Lord Onslow's Committee recommended that practical steps should be taken to promote all forms of agricultural co-operation, especially credit societies, and that an annual grant should be made to the Agricultural Organisation Society, the parent body of the movement

in England.

The present Government has taken powers in the Small Holdings and Allotments Act, 1907, to carry out the former recommendation, and I trust that not only will they, and succeeding Ministries, give substantial assistance to this useful movement, but that all who are interested in British agriculture will do their utmost to support it.

I have now touched upon the most important matters which affect the success or failure of agriculture, and have tried to show the means by which success can be

best assured.

If we assume for the moment that agriculture will reach some measure of prosperity, there will at once be an increased demand for agricultural labour and a corresponding increase in the supply. Many who had previously migrated to the towns will want to return to their villages, and an acute housing difficulty will arise. There are at the present time many districts in which a deficiency of cottages exists, and any increase in the rural population would render the deficiency very serious. In other places the quality of cottages is so poor that respectable families will not occupy them.

It is evident that, in order to obtain and retain sufficient labour of the best quality in a district where the demand is increasing, not only must sufficient cottage accommodation be provided, but the cottages must be sufficiently good and comfortable to satisfy their

occupants.

The quality of cottages has certainly improved during the last fifteen years, and to some extent the supply has increased; but great difficulty is experienced in maintaining this increase, owing to the heavy cost of building cottages and the small rents for which they can be let.

The certainty, or extreme probability, of financial loss

naturally deters the District and County Councils from the extensive use of the powers conferred on them by part 3 of the Housing of the Working Class Act, 1890, and although private landowners are usually willing to undergo some loss in order to house the labourers employed on their own estates, they will seldom do so to accommodate outside labour.

The situation is aggravated by the stringency of the model code of Building Bye-laws which are too often adopted and rigidly enforced by local authorities. This stringency was, no doubt, caused by the deplorable condition of much cottage property at a time when the bve-laws were framed. This condition, however, has much improved, and further steps might easily be taken maintain the improvement. For instance, the appointment of resident Medical-officers of Health, with increased powers and security of office, who should devote their whole time to their official duties, and the enforcement of an annual return by cottage-owners of the condition and occupation of their cottages, would do much to maintain a high standard. The first suggestion was recommended by the Royal Commissions on Housing and Labour, and the second by the latter Commission, which sat under the presidency of the Duke of Devonshire.

The adoption of such a course would fully justify the relaxation of the Building Bye-laws now commonly in force.

Great saving of cost would be effected if cottages could be built in rows, instead of in pairs; not only would the cost of erection be reduced, but in cases where watermains and sewers are at hand, the difficulty and expense of forming connections would be decreased. And in many other details the cost might be much reduced without in any way affecting the good quality, sanitary condition, or comfort of the cottages. This reduction of cost would, of course, materially assist the solution of the housing difficulty. Further, any revival of agricultural prosperity would cause a rise in the wages of labour, and would enable the cottager to pay a slightly higher rent than he can afford at present.

An increased rent can be more easily obtained for cottages to which a quarter of an acre of land is attached, and it behoves all cottage builders, in their

own interest, to adopt this course.

But, although the decrease of cost and the possible increase of rent will lessen the difficulty, they will not alone be sufficient to solve it.

For its solution, cheap loans are essential. They were recommended as long ago as 1885 by the Royal Commission on Housing, which sat in that year, and have been repeatedly recommended since.

The Royal Commission on Agriculture of 1893 drew attention to the importance of making loans to landlords for the purpose, *inter alia*, of cottage building; and Lord Onslow's Committee of 1906 strongly recommended the same course.

At the same time the loans to local authorities for similar purposes should be granted on the easiest possible terms.

The provision of cheap capital, the reduction of initial outlay, and the ability of the labourer to pay a better rent when a good garden is attached to his cottage, will, I am convinced, make cottage building possible without financial loss, and this is all that is needed to solve the housing problem in rural districts.

There is one other important question which may seriously affect agricultural prosperity. I refer to the Taxation of Land Values, and the prominence which this subject now occupies. Many of those who urge its adoption frankly admit that their motive in so doing is

a desire to depress the value of property as a step towards the nationalisation of land.

They base their proposals on the assertion that the State is entitled to the "unearned increment," and should take steps to appropriate it by imposing a tax upon the capital value of all land. They entirely ignore the "unearned decrement," which is far more common than "unearned increment," except in the immediate neighbourhood of towns.

When any rise has taken place in the value of land, it is usually not more than a fair return for the capital which has been invested in improvements and the rast sums which have often been spent in the experiments from which the actual improvements have sprung.

The cases in which a real "unearned increment" exists, except, as I said before, in or near the towns, are few in number and quite incapable of discrimination.

The case of building sites in urban areas is certainly different, but a good case for the taxation of ground values cannot, I think, be established without disproving the statements of such high authorities as the late Mr. Gladstone and Sir Robert Giffen that the ultimate burden of the rates falls upon the landlord.

I do not, however, propose to embark upon this question in relation to urban areas, having confined myself throughout this article to matters affecting agricultural land.

As far as this is concerned, the State, and those who govern it, must always remember that its capacity as a source of revenue is dependent upon its capacity as a source of profit, and that the surest way to fill the Exchequer is not to increase the taxation of land, but to promote its prosperity and so augment its ability to pay.

In this brief review of many questions, I have endeavoured to show the position and possibilities of our agricultural land, with the difficulties and hopes of those who cultivate it; and I earnestly trust that the Conservative Party will set itself seriously to the task of removing their difficulties and fulfilling their hopes.

The task will be long and difficult, but the end in view is too great to admit of delay or hesitation; and those who accomplish it successfully will be rewarded by the knowledge that they have wrought their country lasting good, and by the gratitude of a prosperous and contented people.

G. L. COURTHOPE.

SOCIALISM

BY

RONALD McNEILL.



SOCIALISM

NEARLY twenty years have passed since Sir William Harcourt declared in the House of Commons, not altogether in jest, that "we are all Socialists now," and since Mr. Sidney Webb wrote in sober earnestness that "the progress of socialism is just now the most marked characteristic of English thought." Yet the general election of 1906 appears to have been to many people the first intimation that socialism in this country was anything more definite than a species of original sin, with which no serious reckoning need be made during the present dispensation; while many others, not quite so blind, saw in it a portent revealing a strength of opinion among the wage-earning classes socialist hitherto unsuspected. On the other hand, since that election socialism has been more talked about and written about than any other topic connected with current politics. People who are conservative in the larger and non-party sense of the word have been at no pains to conceal their consternation, while those holding socialistic opinions have not unnaturally been exulting over the consternation of their opponents.

But in all the discussion that has taken place, though there have been innumerable attempts to expound what socialism means and whither it tends, no sort of proof has been offered by its devotees that if a socialist State could be established to-morrow it would exhibit the virtues and enjoy the blessings which its prophets predict. Those who, like the present writer, have been brought into personal touch with earnest believers in socialism in the course of an urban Parliamentary

election, do not need to be told that rhetoric is the atmosphere in which discussion of socialism thrives. The reproach cannot, however, in fairness, be levelled at the Socialist alone. For if the latter in propounding his creed relies on vague and high-sounding generalities, or dithyrambic prophecies of inestimable benefits to be expected when "capitalism" shall be no more, and soaring assertions as to the disappearance of existing evils so soon as the foundations of modern society shall have been recast, it is no less true that his opponent is too often content to meet him with equally unreasoning denunciation, in language whose vituperative strength fails to conceal the speaker's entire ignorance of the true character of socialist doctrine. To one disputant socialism is a fetish, to the other it is a bogey; but neither one nor the other understands its actual significance. If you enter upon a friendly discussion with a socialist artisan he will probably describe eloquently, and perhaps thoughtfully, many of the evils which the masses of the people suffer under existing conditionspoverty, sweating, overcrowding, intemperance, insanitary conditions, and so forth; he will declaim against the iniquitous inequality in the distribution of wealth and the unjustly meagre proportion of it which Labour (with a capital L) is able to appropriate; he may even be able to explain in rough outline the proposals of popular writers on socialism; and he will assuredly interlard his discourse copiously with such catchwords as "capitalism," "exploitation," and "monopoly." But unless he be a very exceptional specimen, he will be reduced to silence or irrelevancy by a few questions in the nature of cross-examination as to how the ills he has described are likely to be remedied by the changes in the social structure which he advocates.

This ignorance on the part both of the supporters and the opponents of socialism is easily intelligible when it

is borne in mind, first, that it is in itself an extremely difficult and complicated subject; and, secondly, that Socialists are by no means themselves in complete agreement with regard to the limit of their aims, and still less as to the steps by which those aims are to be reached. There is, however, no excuse for such a fundamental misconception as that recently displayed by Mr. Pete Curran when he defined socialism as "the science of society." It would not be more wide of the mark to speak of tariff reform as "the science of society." A member of Parliament might have been expected to grasp the difference between socialism and sociology. Socialism is not the science of society; it is a theory in economics. Economic science has an important bearing, no doubt, on the larger science of sociology which embraces it, for society at every stage of its development rests on an economic foundation of some kind. The principles that constitute this foundation have followed an evolution closely bound up with the progress of civilisation in other directions, its course being determined by the current needs of men, and furthered by their advance in mechanical and natural science; while each readjustment from time to time has paved the way for a fresh growth in the material prosperity of nations. Thus slavery, which formed the economic basis of the ancient civilisations, gave place to the medieval serfdom of the feudal organisation; and this in turn, as feudalism fell in ruins before the development of manufactures, navigation, and commerce, was supplanted by systems conforming to the theories of the mercantilists, the physiocrats, and lastly of Adam Smith and his followers, still known as the "orthodox economists." It is the contention of socialist writers that the next step in this evolution must be to substitute the principles of Ferdinand Lassalle and Karl Marx for those of Adam Smith, Ricardo and Mill; and that we are at present

passing through the transition period between the system of "capitalist production" based on private property and free competition, and that of "collectivism," or the ownership by the community of all the instruments for

the production and distribution of wealth.

On the face of it there is nothing preposterous in this idea. Evolution never halts; it has certainly no more reached a final goal in economics than in any other field, and there is much evidence around us that the movement that those changes should proceed towards socialism Assuming, then, that economic theory must undergo changes in the future as in the past, the question whether or not it would be for the benefit of society in general that those changes should proceed towards socialism, is one that calls for sober examination rather than the blind and fierce denunciation with which it is too frequently treated. But before we can be in a position to consider this question in a judicial frame of mind, a backward glance must be cast at the road by which we have travelled to the position at present occupied by "orthodox" economic opinion.

Economics and politics have always been closely interrelated—much more closely, indeed, than politicians have sometimes realised—and the ideas therefore in political philosophy and the theories in economics which prevail at any given period powerfully influence one another, if they do not actually coalesce. The free trade doctrine of Adam Smith readily combined at the end of the eighteenth century with the passion for political liberty aroused by the French Revolution. Unfettered freedom in every department of life would, it was believed, usher in a millennium purged of injustice, hardship, and poverty; equality was seen advancing hand in hand with liberty; the perfectibility of the race was within sight; visions of a fair future not far off excited an enthusiasm more glowing even than that of socialist visionaries to-

day. These were the forces that gave birth to nineteenth century Liberalism. Bentham became the prophet of the movement, and Bentham's political philosophy was based, as Comte pointed out, on economics. He fused political with economic theory. He demolished by his criticism the limitations to industrial competition which Adam Smith himself had suggested. Self-interest. which was expected to prove "enlightened," was proclaimed as the only rational rule of conduct. The dogma of laissez faire thus became the watchword of progress. The flower of this seed in the economic field was the political economy of Ricardo and Mill, Jevons and Cairnes; the legislative fruit was the policy of Cobden; and the political philosophy of the period, vehemently denounced by far-seeing thinkers like Carlyle, was such as allowed the most democratic of its statesmen to hold adulteration to be merely "a form of commercial competition." Thus the great work of the Liberal Party in the nineteenth century, the work which has been the subject of so many shining encomiums by its authors, was the building up of the competitive industrial system which the Socialists of to-day, and not the Socialists alone, declare to be disastrous and intolerable. Conservatives, whatever view they may take of the socialist proposals for reconstruction, are not responsible for the existing system, and are bound by no party tradition to maintain Moreover, they have at all events this much in common with the Socialists, that their eyes have been opened to the folly of that fundamental principle of liberalism, the dogma of laissez faire, and are no longer its slaves.

But while the political watchwords of the Revolution from which Liberalism drew its inspiration were liberty and equality, the idea that liberty and equality could live together in the region of economics was a vain one, since the assertion of the Declaration of the Rights of Man

that men are by nature equal is false. If men are free they will not long remain equal. Bentham himself perceived, indeed, that security of property was inconsistent with equality, and held that "when security and equality are in conflict, it will not do to hesitate a Equality must yield."* But the "liberty" so belauded by the Benthamite pundits of laissez faire quickly produced the most glaring inequality in the distribution of wealth that the world has ever seen. Free Trade. which to Cobden and Mill and Fawcett meant unlimited competition in the labour market quite as much as untaxed imports, was found to mean misery and destitution in "the warrens of the poor"; and the wage-earners awoke to the fact that in the millennium of the revolutionary dreamers they had no share. The trade unions and the factory legislation of the Conservatives, both anathematised by Cobden and Bright, constituted a movement of Protection running through the latter half of the nineteenth century on lines parallel to the Free Trade movement, and providing a palliative to the ills it was begetting.

But while in England practical attempts were thus being made to mitigate the evils flowing from the ruinous disregard of the welfare of the "producer" in the supposed interests of the "consumer" enjoined by the theory of laissez faire, that theory itself and the whole system of economics based on it was being attacked root and branch in Germany by Lassalle, Engels, and Karl Marx, whose writings are the gospel of English Socialists to-day. The Benthamite and the Cobdenite, in their blind pursuit of economic "liberty," created, as we have seen, an unprecedented inequality of wealth. Marx and his followers propose to remedy this inequality by a

^{*} See William Graham's English Political Philosophy from Hobbes to Maine, p. 217, sqq.

complete sacrifice of liberty and the total destruction of private property. It should be the aim of enlightened Conservatism to steer a middle course, by propounding a policy which will preserve the institution of property, together with reasonable individual liberty, and at the same time secure to the wage-earners, by means of discriminating Government interference in industrial organisation, a more just proportion of the wealth they produce than they have enjoyed under the Liberal régime of Free Trade.

It is not to be supposed that many English wage-earning Socialists who invoke the name of Karl Marx as that of an inspired apostle have any knowledge of his writings; and, if they had, they probably would not be much the more able to argue the case for collective ownership. But a crude idea of his doctrine of "surplus value" has reached them in a popular form well calculated to persuade them that they suffer cruel injustice under the present industrial system. No attempt can, of course, be made in the space here at our disposal to review the economic doctrines of Karl Marx. But this central point in his system must occupy us for a moment, since it is the pivot on which all socialist reasoning turns, and is the source of much mischievous error.

Marx adopts as his starting-point a proposition which is to be found in some of the early treatises on political economy, including the Wealth of Nations, and for which he also expressly claimed the authority of Ricardo, namely, that the true and only measure of value of commodities is the amount of labour expended in their production. Professor Marshall has demonstrated that Marx entirely mistook Ricardo's meaning, and that this proposition "is really as opposed to the general sense of his [Ricardo's] theory of value as it is to

common sense."* Marx's proposition, thus baldly stated, required some adjustment to fit it to actual experience, since it is obvious that two articles precisely similar in every respect and of precisely the same exchange value may represent very different quantities of labour, owing to variety in skill and rapidity of workmanship in different workmen, difference in the efficiency of their tools, and other like circumstances. Marx accordingly maintains that the standard to reckon by is not the labour of this or that individual, but the average labourpower required to produce a given article, or social labour. Having devised this abstraction to serve as his unit of measurement, and having excluded every other factor entering into the true economic value of commodities, he proceeds to show that the workers are compelled by economic necessity to sell the only thing they possess, namely, their own labour, for a wage which is equivalent to the average means of subsistence of themselves and their families. But the workman in the course of a given time expends an amount of "social labour-force" that creates value in excess of the amount of his wages for the same period; otherwise, his employer, being without profit, would not continue to employ him. In other words, the workman by, say, half a day's labour, restores to the employer the full value of his wages; and, consequently, when he continues to work for the rest of the day he does so without payment, and the value of those unremunerated hours of toil is "surplus value" appropriated by the "capitalist."

It is not difficult to understand how such an argument as this, presented to them as the teaching of a learned and famous German economist, probably spoken of as "the greatest thinker of the age," must appeal to manual

^{*} Alfred Marshall, Principles of Economics, I., p. 619. See also "Note on Ricardo's Theory of Cost of Production in Relation to Value," ibid., p. 529, sqq.

workers entirely unversed in the subtleties of economic theory. Can they be expected to know that the premiss from which it proceeds is an error exposed by every modern economist of repute; that it leaves out of account a number of factors which enter into the cost of production; that it entirely ignores the effect of supply and demand, the "earnings of management," and the functions of capital? All that they attend to is the assertion, backed by a parade of scientific erudition, that they are giving vast quantities of unpaid labour to the greedy capitalist, who is growing rich by robbing them. is little wonder that when Mr. H. M. Hyndman lectured on the subject to a Radical working-men's club in London, where some of the criticism on his eloquence "was silly enough to have come from a professor of political economy," one enlightened convert to the socialist gospel arose and exclaimed, "I for one shall see more plainly in future how my labour is filched from me."*

It is on this notion of "surplus value" and the consequent "unpaid labour" of the workers that the Socialist bases his indictment of the entire economic fabric of European civilisation. It is obvious, however, that although Marx's definition of value is unsound, there is this much of truth in the theory of surplus value that unless in the whole process of production a greater value were created than the bare equivalent of the wages paid for the labour, there would be no such thing as profits and no possibility of providing the capital required for fresh production. If, therefore, we for a moment imagine the socialist ideal to have been fully attained, and all the means of production and distribution transferred from private ownership to the ownership of the State, then one of two things must be the result. Either the

^{*} H. M. Hyndman, The Economics of Socialism, p. 86.

obnoxious system of "surplus value," with its corollary of "unpaid labour," must continue as before, the only change being the substitution of the iron hand of the State as capitalist for the more or less squeezable individual employer, or else there must be the total disappearance of the means for carrying on those innumerable activities of the State which are inseparable from the contemplated socialist régime. If old age is to be pensioned and youth educated, there must be public revenue for the purpose. But revenue means taxation, and taxation postulates something to tax. And if there is anything to tax it can only come from the "surplus value" produced by Karl Marx's "unpaid labour." Moreover, the State in exercising its functions as capitalist will have to employ a vastly larger army of inspectors and directors even than that required at present for the decent regulation of free industry. The "captains of industry" and the "earnings of manage-ment," which excite the scorn of Socialists, will be multiplied a hundred-fold in the socialist state, and their subsistence will have to be provided for out of "surplus value."

The mental agility of Socialists is such that they decline to be impaled on either horn of the dilemma offered them in the preceding paragraph. They are going to have it both ways; they are persuaded they can enjoy the good things of both worlds and submit to the disadvantages of neither. It is true that one of the "immediate reforms" demanded in 1903 by the Social Democratic Federation was "Repudiation of the National Debt," which would considerably lighten the burden of the State's annual budget, without apparently increasing the burden on the socialist conscience; but, even allowing for this summary saving of the whole interest payable on Consols, not half the things expected at the hands of the Treasury by Socialists could in fact

be obtained without augmenting rather than diminishing the estimates with which we are familiar. Nevertheless, they are all to be accomplished in a community from whose industrial system profits and interest have disappeared. Interest is condemned Socialists as being "only a participation in profit, or in surplus value, already realised"; and we can imagine how promptly both will be banished from the socialist State when we find so representative a Socialist as Mr. Hyndman pained by the fact that "no moral stigma whatever at present attaches to the making of profit, nor, consequently, to the taking of a share in such profit when made."* In fact, the employer of labour and the man who accepts interest for money both stand in the eye of the Socialist "on the same footing as landlords, bankers, merchants, lawyers, brokers, companypromoters, and other encumbrancers."† This, indeed. seems to presage a pretty clean sweep! Landlords and lawyers have, of course, always been popular "Aunt Sallys"; but we should better understand what is in store for us if the advocates of socialism would explain how a society from which profits and interest have vanished, and which is to suppress such "encumbrancers" as bankers and merchants, is to find the means of supporting a gigantic system of Government subsidies.

The difficulty becomes all the greater when we learn from the author of *The Economics of Socialism* what it is proposed to substitute for the discredited system of "production for profit." For he leaves no room for doubt that the socialist ideal is essentially retrogressive. The communistic institutions traceable in primitive societies have, says Mr. Hyndman, a special interest for us. "Not that we shall return to those precise con-

^{*} The Economics of Socialism, p. 215. † Ibid., p. 220.

ditions, or that our descendants will necessarily resemble the men and women who lived under them"-a reassuring statement so far as it goes!—"but because that form of society is in its essentials nearer to the one to which we are approaching than any of the societies based upon private property could possibly be."* He then goes on to speculate that "the history of man on this planet has been, in the main, if we could only get at it, the history of communism. The probability is, as Mr. Lewis Morgan calculated, assuming 100,000 years to cover the life of the human race, that communism has endured 95,000 years out of those 100,000 years." The anti-socialist will find it much more instructive to accept this fanciful speculation than to question its validity. For what is the inference to be drawn from it? The five thousand years during which, it appears, private property may be allowed to have existed—and, moreover, with "no moral stigma whatever attaching to it "—happen just about to cover roughly the historic period of mankind. In other words, the first rudiments of civilisation synchronised with the introduction of private property-which is not improbably true. For 95,000 years man existed under a social system to which "in its essentials" the Socialist of to-day desires to return, and throughout all that vast epoch of communism he remained so little removed from the mammoth and the megatherium that he was less able than they to leave traces of "footprints on the sands of time." The ideal of the Socialist, then, is like the doom of death—"dust thou art, and unto dust shalt thou return." Let it not be thought that this is levity in criticism. The author of the passage cited above, and other Socialists who often follow the same line of thought, are quite impervious to the humour of the notion that the ideal organisation for modern European

^{*} Ibid., p. 5.

society is to be sought in the institutions of paleolithic man. It is true that, while we are "on the eve of a great transformation back to our starting-place," we are assured that we shall be "on an almost infinitely higher plane" than our prehistoric ancestors. But while there is no doubt whatever about the retrogression, the "higher plane" is a venture of faith only possible to those who can faintly trust the larger hope.

The point hitherto insisted upon, that socialism is simply a theory in economics, and a theory resting on a fundamental economic fallacy, is important to bear in mind because it removes much prevalent misconception as to what is or is not socialistic legislation. To begin with, the declared aim of socialism being to transfer from individual to public ownership all the means of production and exchange, it is clear that socialism is not in principle necessarily even democratic. It is quite as conceivable that the State which is to be the universal provider should be ruled by an autocratic Tsar as by a popular assembly; and as a historical fact the most advanced European legislation of modern times in the direction of socialism was the work of Bismarck-who was not exactly a democrat. Secondly, it should be observed that the sort of legislation which was dubbed "grandmotherly" by the devotees of laissez faire in the last generation, is not necessarily socialistic—that is to say, it does not in principle, and need not in fact, promote the ends which socialists have primarily in view; although it is, of course, true that socialist politicians, like the labour members in the present Parliament, are in favour of many such proposals. A clear understanding of this distinction between legislation essentially socialistic and legislation which, though supported by advocates of collectivism and tending to enlarge the scope of governmental responsibility, is not subversive of private ownership of property, will afford a justifica-

tion of some acts of Unionist policy which are occasionally spoken of as being socialistic in character. example, neither free education, which the country owes to Mr. Chamberlain, nor a measure for providing oldage pensions, which, if carried, will also be due to his initiative, interferes in the smallest degree with the system of private ownership and production for profit. Mr. Sidney Webb eighteen years ago included in a list of measures marking the progress of socialism such legislation as the Factory Acts, parochial schools, income-tax, taxes on reality, public education, and improved dwellings of the poor; and he added the remark that "philanthropic reformers will be surprised to find some of these measures classed as socialistic."* Their surprise would be justified. Mr. Hyndman, on the other hand, maintains that even "the confiscation of all rent of land of every sort" would not necessarily better the condition of the wage-earning class, since "competition for employment under capitalist control would go on as before. Workers' wages would undergo no increase whatever, nor would their social status be in any way improved. . . . The only result of the confiscation of competitive rents or royalties by the State, and the application of the revenue thence derived to the reduction of taxation, would be the strengthening of the hands of the capitalist class. For State ownership of rent by itself does not check in the least degree the operations of capital, nor does it involve in any sense the establishment of co-operative production on the land,"t

This may be true; nevertheless the nationalisation of rent and royalties would be unmistakably a measure of socialism as distinguished from those enumerated by Mr. Sidney Webb. But the passage quoted contains the

^{*} The Economics of Socialism, pp. 208-9. † Socialism in England, p. 16.

valuable admission that the confiscation by the State of a species of property more frequently attacked than any other would of itself be of no ultimate benefit to the manual workers. To the thorough-going Socialist the mere abolition of rent is a trifle scarcely worth striving after. He perceives that nationalisation of land would be a Dead Sea apple unless accompanied by the abolition of production for profit, to be replaced by "production mainly for use," such as prevailed in the 15th century, which in the eyes of the Socialist was a golden age "of national isolation and full bellies."* This is a point that should be impressed upon the minds of agriculturists who may be bitten with the idea of land nationalisation. many such the prospect will be less alluring when they understand that under the socialist régime their activity and enterprise will be limited to the medieval Arcadian standard of growing corn for home-made bread and potatoes and cabbages for their own consumption. Unless they were so limited nationalisation of the land would mean no more to them than the substitution of the State for the existing landlord.

Limits of space prohibit further discussion at any length of this part of the subject. It may, however, be suggested to the reader to reflect how it would be possible under any scheme of State ownership of land, whatever method of production prevailed, to prevent a return to practically individual ownership by precisely the same steps whereby it emerged from the primitive "mark system" which the Socialist desires to restore "on a higher plane." Somebody must till the soil, either as a government servant or otherwise; and that somebody, if he makes his home and rears a family on a given plot of land on which he expends the sweat of his brow if no other "unexhausted improvements," will inevitably develop an interest in the plot which it will take all the

^{*} Ibid., p. 30.

power of a tyrannous socialistic State to persuade him gives no title to practical ownership for the future.

Althought the items in Mr. Sidney Webb's list are in themselves free from the taint of socialism-subject to a qualification to be mentioned presently—there is more force in his remark that if they do not satisfy the socialist ideal they are at least "steps by which the ideal is being gradually realised." It is difficult to guard against the danger of innocent and desirable reforms being used as rungs in a ladder to the "higher plane" of socialism.* But the only thing new in this is the fact that there is a party to-day desirous of so using all reform if possible. The socialistic element in such legislation is as old as the hills, and is not essentially hostile to the institution of private property in land and capital. Mr. Webb includes income tax and taxes on real property in his list. Taxes on real property are perhaps the oldest of all forms of taxation, and in so far as all taxation is appropriation of private property by the State, all taxation has a socialistic flavour. The Poor Law of Elizabeth was still more distinctly socialistic in character; and the same may be said of all government interference with private property or individual liberty—of every invasion, in fact, of the principle of laissez faire.

The Unionist party, who have said good-bye to that doctrine, must not be scared by possible accusations of socialist proclivities from following a consistent line of social reform. Having thrown over Cobdenism in the matter of import duties, they must not cling to Cobdenism as regards other aspects of the industrial system. They must not allow themselves to be identified, for example, with any such foolish and shortsighted policy as that of the House of Lords in rejecting a measure for excluding foreign labour under certain circumstances from this

^{*} This point is ably discussed by Sir Henry Wrixon in The Pattern Nation,

country; but they should bring home to the understanding of the wage-earners the futility of excluding a foreign workman without also restricting the free importation of his work. They should determine to restore by legislation the old principle of the Common Law which made it a criminal offence for a merchant to make a "corner" in any commodity for the purpose of artificially raising the price*; and they should show themselves the determined enemy of trusts and combines and all such American tricks of trade; and they should be prepared with a programme of land reform in a direction opposite to that leading to socialism.

The Liberals, as bye-elections continue to show with increasing clearness, will soon have to choose between being merged in the Socialist party or being submerged by it. Held by the Socialists in unmitigated contempt, and never more heartily despised than when allowing themselves to be squeezed by the Socialists themselves, Sir Henry Campbell-Bannerman's Ministry have exhibited their utter lack of principle and the insincerity of Mr. Asquith's protest against "wool-gathering with the Socialists" by refusing to take a step towards the creation of peasant ownership of land, in deference to the behests of men anxious to avoid strengthening the foundations of private property and free industry. It is to be hoped the Unionist leaders will proclaim upon the housetops that their policy as regards land is the gradual creation of occupying ownership of the soil, as distinguished from the flabby and unprincipled semi-socialism that passes for land reform with Sir Henry Campbell-Bannerman. There is no stouter bulwark against socialism than the "magic of property," when operating on a large section of the population. If the "capitalist system" is to be successfully defended it will be by enlarging what the Socialists call the "capitalist class."

See The Pattern Nation, p. 170.

It is to be noted, however, that this phrase, with which socialist orators seldom fail to excite the prejudice of illinformed audiences, is in itself a misrepresentation. These orators when they say "class" mean "caste," and their hearers so understand them. But in this sense, or indeed in any strict sense of the word, there is no such thing as a capitalist class. The owners of the capital which provides the means for carrying on the great industries are, it is true, a small minority at any given time as compared with the manual workers. But there is no hard-and-fast line between the two; and there is nothing to prevent any industrious, sober, and thrifty workman from becoming a capitalist. Numbers of them have in fact done so in recent years, and it is becoming increasingly common to hear of wealthy "captains of industry" who began life earning a weekly wage. Nor is this all. The weekly wage-earners are in the aggregate already capitalists themselves in a very considerable degree. It has recently been computed* that in 1905 the capital owned by the manual workers of the country amounted to nearly one thousand millions sterling, the calculation being based on the statistics of Friendly, Building, Co-operative, and Provident Societies; Post Office, Trustee and Railway Savings Banks; Industrial Insurance Policies; house property, small freeholds, personal effects, and so forth. In view of these facts the conventional idea respecting the capitalist which occupies so conspicuous a place in socialist rhetoric needs some modification; and they show that the wage-earners themselves stand to lose pretty heavily by the uprooting of the present economic basis of society.

It should be remembered that the condition of the workers, bad as it still is in many respects, has been greatly improved since the time of Karl Marx, and if he

^{*} See "The Wealth of the Workers," by Jesse Quail, in The Contemporary Review, August, 1907.

were writing to-day he would have to qualify a good many things which were true enough when he described them in the middle of the nineteenth century. Marx's work. fundamentally unsound in economic theory, is valuable as a history of actual social conditions under the rule of laissez faire. It is to his credit that he perceived, as no other economist of his time perceived, the desperate nature of the evils which that rule was bringing forth. But he was too hasty in assuming that there was no alternative to the equally desperate remedy which he prescribed. The Protectionist agencies mentioned earlier in this essay were already at work when he published Das Kapital, and in the forty years that have since passed over our heads they have had sufficient effect as an antidote to the poison of undiluted competition to justify confidence that a more conservative cure than social suicide is to be found. To find this cure—and it is not to be found in the ill-considered nostrums which constitute the political stock-in-trade of the present Liberal Government, who expect, for example, to stem the worldwide movement of population from country to town by an amateur manufacture of uneconomic tenancies-to find this cure, and to administer it resolutely, is a worthy task for a reconstructed and progressive Unionist party.

In conclusion, it should be pointed out that the socialist ideal of a State owning all the instruments of production and exchange, and controlling output in every nook and cranny of the industrial world for the purpose of nicely adjusting supply to demand so that there shall never at any moment be either glut or shortage, is an ideal that postulates a perfection in the machinery of representative institutions which is contrary alike to experience and reason. The idea that under popular government in an immensely complex community people get what they desire because they have votes is a long exploded theory. As Maine long ago pointed out, there is no voice of such

confused and uncertain articulation as the Vox Populi. In the larger questions of national policy the views of the majority may in the long run prevail. But even in such matters opinion has to concentrate itself on a few selected issues, and accept en bloc the programme of some one political party. And experience proves the potency of machinery for condensing the vapour of public opinion into channels prepared by political organisations, and the all-powerful influence of the committee and the wire-These inherent weaknesses of democracy are endurable so long as government activity does not penetrate too far into the intimate concerns of the citizen; but they would quickly become absolutely intolerable if it were the function of government to direct every detail in the economic life of the people. The individual would soon find that in all the innumerable small things that affect his happiness and comfort he would have no means of impressing his desires on the great abstraction called the State. He might, however, obtain advantage by gaining the ear of some one of the countless officials who would be to him the corporeal embodiment of that abstraction; and he would find that the readiest way to gain the ear would be by oiling the palm. The socialist State would be a tyranny tempered by corruption. We have had some experience in England lately of corruption in municipal government. We know, too, how such cities as New York and San Francisco manage the conduct of local government, although the American is no more dishonest by nature than the Englishman. The temptation to bribe and the temptation to blackmail would be infinitely increased under a system in which the Government official would be omnipresent as well as omnipotent. Corruption dogs the steps of tyranny as trade follows the flag; and although Socialists may fancy that their ideal is the appointed goal of democracy, its attainment would be the negation of popular liberty and the apotheosis of coercion. RONALD McNEILL.

LABOUR

BY

A. D. STEEL-MAITLAND



LABOUR

GENERAL.

Visible characteristics of modern industry.

Determining conditions.

- Mobility of capital and in lesser degree of labour.
- 2. Keenness of competition.

3. Extension of credit.

Cause of present conditions.—Mechanical inventions operating by facilitating (i.) production, (ii.) conveyance, (iii.) management.

Course of Law Reform.

- Benthamite individualistic legislation laissez faire.
- 2. State regulation.

Intimate connection of different social problems in—

- 1. Theory.
- 2. Practice.

CASUAL LABOUR.--Importance of question contrasted with small attention paid to it.

Reasons for this.

Extent.

The skilled and the unskilled casual.

Causes of casual employment.

- 1. Easiest for employer.
- 2. Inducements to workmen.
- 3. Facilities for obtaining cheap food and lodging.
- 4. Boy labour.

Effects.

UNEMPLOYMENT AND UNDEREMPLOY-MENT.

Two classes of lack of employment.

(a) Permanent changes in Industry.

- 1. Extinction or reduction by Foreign competition.
- 2. Extinction or reduction through substitution of another article.
- 3. Migration to another part of the country.

4. Introduction of machinery.

Remedies are ex post facto.

(b) Fluctuations in Industry.

- 1. In individual trades, through overproduction, etc.
- 2. Local unemployment.
- 3. General unemployment in seasonal trades.
- 4. General unemployment due to periodic trade depressions.

Effect on skilled and unskilled workmen.

Causes of fluctuations in industry.

- 1. Seasonal fluctuations.
- 2. Periodic trade expansion and depression.
- 3. Local dislocations.

Remedies.

- 1. Unemployed insurance.
- 2. Labour registries.

Nature of.

Alternative in some trades of a minimum period of engagement.

Other advantages.

BOY LABOUR.

Disappearance of apprenticeship.

Small earnings of the boy learning a skilled trade as contrasted with what he can otherwise obtain.

Effect of this fact.

Bad effects of unskilled boy labour.

What is required?

Possibilities of education.

- 1. The Trade Union difficulty.
- 2. The needs of poor parents.

WOMEN'S WORK.

The problem of women's work is many-sided.

- 1. Women's work and infant mortality.
 - 1. Effect of work in factories, etc.
 - 2. Effect of poverty.
- 2. Women's work and men's work.
- 3. Women's work. The standard that fixes women's wages.
- 4. The special question of home work.

HOME WORK AND SWEATING.

The existing state of the law as regards home work.

Circumstance under which home work supersedes factory work.

Various classes of home work. Sweating not a matter of wages only.

Conditions precedent to sweating.

Objects at which reform should aim.

Proposed remedies.

- 1. Abolition of the middleman.
- 2. Regulation of hours.
- 3. Licensing of the homes of out-workers.
- 4. District Wages Boards having power to fix a minimum wage.

Wages Boards.

Present information inadequate as regards Colonial experiments.

Pronounced practicable by expert opinion.

Points not generally recognised.

 The standard by which the minimum will be set. 2. The rate for out-work may need to be higher than for factory work of a similar kind.

Probable effects.

- 1. As between factory work and out-work.
- 2. As affecting the cost of production. The alternative courses open.

Conclusion.

Of all the characteristics of modern industry that which is the most prominent is the aggregation, in great centres of industry, of large masses of the population. It is a feature, not only one of the most important, but also obvious to the heedless observer, and thus it has gained the recognition which the mere unaided importance of a problem does not always receive. It is customary with such densely-populated areas to associate the further features of the highly-developed factory with its dozens or hundreds of workers assembling each morning, and with the subdivision of processes within. Speaking in general terms, such an association is correct. But at the same time, for accuracy, two reservations should be borne in mind. The highly organised textile trades of Lancashire or the West Riding and the almost equallydeveloped branches of the engineering trade represent the factory as it tends to be, but not as it universally is. London, the greatest manufacturing centre of the country, is the home of small industries, many of them little organised. The grinding hulls of Sheffield, the "pot banks" of Stoke, or the brass works of Birmingham present instances of industrial production in almost every stage of evolution, but in few cases approximate to that of a Lancashire cotton mill. Secondly, the proportion of the population engaged in other than factory employ, that is to say in home work, in retail trade, in building, and in transit and conveyance, may be found unexpectedly large. Such reservations notwithstanding, the factory is the main feature. Highly or less highly developed as the factories may be, the tendency is to produce the same situations and problems; while the presence of other elements of the population is itself the result of, and contingent on, the existence of the factories.

Turning to the conditions under which industry is carried on—the conditions, that is to say, which are materialised in the aforesaid masses of brick and mortar-the great mobility of capital and the less mobility of labour are the chief. Almost equally important is the keenness of competition which is the natural outcome of physical conditions, and which replaces the easy-going rule of thumb by a more rigid enquiry into unnecessary costs. Thirdly, the extension of the system of credit has combined with the mechanical inventions to produce the periodicity of trade-the alternating phases of depression and expansion, which only became a regular feature during the last half of the nineteenth century. To lay such emphasis on these points may seem the mere repetition of a platitude that is mechanical and familiar. But it is the very familiarity of the Psalms that makes their repetition mechanical and devoid of meaning to many. It is the familiarity, also, with brick walls which makes the absurd costliness of their construction (aggravated by certain building bylaws) escape recognition. Hence, when the statement of a fact becomes a platitude, the greater, in some circumstances, becomes the necessity of emphasising the fact and analysing the consequences that are produced by it.

The efficient cause of the characteristics enumerated was, of course, the great series of inventions of which the earliest are associated with the names of Arkwright and Watt. The operation of such mechanical appliances was threefold. The manufacture of articles was facilitated. Equally operative were improvements of conveyance,

whether of men or of goods. Lastly, the more perfect and more rapid means of communication by the penny post, the telegraph and telephone, both allow of full advantage being taken of the other facilities in the matter of distribution, and also, which is even more important, combine with the system of limited liability to render possible the organisation of the modern company.

The extended use in the last century of mechanical inventions rendered the industrial revolution possible. But the full development could not have been attained without the series of reforms initiated by the teaching of Bentham. The shackles of old regulations, unsuited to new circumstances, had to be broken. The unreformed Poor Law, for instance, and the laws of Apprenticeship were wholly inadequate to the changed conditions. The laws against Usury would, if observed, have been a bar to modern commerce. But while so much is true, the inapplicability of old restrictions and the beneficial character of their abolition was no argument against the necessity of new regulations suited to the altered state of affairs. But as was natural, the abolition of old restrictions was alone at first perceived and was exalted into a philosophy. It was only gradually that the logic of facts proved the inadequacy of the one-sided system of laissez faire, which was the ideal of Benthamite reformers of the age of Francis Place and of Cobden. The aggregation of houses in the growing towns was of several kinds. They might themselves be old country cottages or at least built on the model of a country cottage. Some such still exist in the centre of Sheffield, suitable enough for a rural village, but quite unsuited for a large town. Or they might consist of the old courts of Liverpool or streets of back-to-back houses of Manchester, built so as to accommodate as many human beings on as small an area and at as little cost as possible. In any case the

elements of sanitary science so far as known were little considered.* In this instance the theory that the individual was best left to look after his own interests has been found falsified in practice, both as regards the individual himself and the community in which he lives. The result of the discovery is seen in the series of Acts for the Housing of the working classes. In another sphere the opposition to the dominant individualism existed from the outset. Laissez faire, if pushed to the extreme, would permit of the worst abuses of child labour and female labour. As early as 1802, however, in the case of children, and 1825, in the case of young persons, restrictions were placed on their unregulated employment. From these classes extensions were gradually made to women and finally to men. The phenomena of boy labour and women's work as exhibited at the present day are therefore the result of individualism limited by protective enactments. In the case of the adult male worker it was long before the prevalent theory was challenged that "every man" could "count for one, and no one for more than one" and that "the State is the great fiction whereby everybody tries to live at the expense of everybody else."† But the twofold change, when it came in the shape of the Ten Hours Bill, detested by Bright and other Free Traders, and the legalisation of the Trade Unions, disliked by Place and detested by Cobden, has created two of the dominating factors of modern industry, viz., the regulation of hours under the Factory Acts and the Trade Union system. In other matters the State has only recently intervened, if at all. The doctrine of common employment formerly placed the work-

^{*} A general survey of prevailing sanitary conditions is given in the well-known General Report on the Sanitary Condition of the Labouring Population of Great Britain, 1842, by E. Chadwick. Chapters II. and III. should be especially consulted.

[†] Jacques Bastiat.

man at a special disadvantage as regards his employer compared with the position of third parties. A reversal of such a state of affairs, through the provision for accidents by other means than the unaided effort of the worker, is a feature of the last ten years. For industrial disease special rules have been made for some dangerous trades; but general legislation with regard to industrial diseases only dates from the past year. As regards pensions for old age, the principle is admitted from consideration of expediency if not of conviction, although the actual institution is not yet. Compulsory provision against disease in general is of the future. from the delay in the last-named matters it is to be hoped that one advantage will ensue, the adoption of a method which is most beneficial to the community instead of that which, as in the case of the Employers' Liability Acts, is the easiest to advocate on a platform and has the most drawbacks in practice. The regulation of conditions as well as of hours in factories, first brought into full prominence by Robert Owen, has been developed under the Factory Acts. But outside the factory, except for the advance in age necessitated by the Education Acts, little has been done to solve the problem of boy labour. For adults also the conditions under which out-work is performed have not kept pace with those within the factory. The question of such conditions is indeed inseparable from that of the wage received; and one factor, consequently, in the backward condition of outwork is the disorganised condition of the workers. Important, as affecting the circumstance of the less fortunate, is the Poor Law. But so far the sentiment that has affected the grant of relief has acted through administration and not legislative enactment. It is too early to forecast the result of the present Royal Commission on the subject. For casual labour, the logical outcome of laissez faire in its extreme form, and for

unemployment, which affects casual labour in a peculiar degree, no remedy except Fiscal reform has been proposed. Yet, of all discords in the existing life of the community, that created by the present casual employment is probably the most important.

It will thus be seen that, from the theoretical standpoint, the various changes in the industrial life of the community are intimately correlated. The same is true in practice. The treatment of boy labour raises the problems of Trade Unionism. Factory Acts and Building by-laws may indirectly create the out-worker. the out-worker is problem of affected by the casual. Again, existence of no attempt sound lines can be made to deal with the casual without a concurrent revision of the system Poor Relief and of certain types of Housing and their regulation. For purposes of investigation, however, each subject must be isolated; and the following paragraphs deal with some of them. Not all the subjects have been treated—limitations of space forbid. A selection, therefore, has been made of those in the treatment of which little has been done in the past, but of which more is likely to be heard in the future, or concerning which published information is not abundant. Again, remedies have not always been suggested, nor could be suggested. But at least some part of reform is accomplished when the bearings of a problem are analysed and the questions are stated, in the answer to which will consist the reform.

CASUAL LABOUR.—It is always possible to theorise as to the comparative influence of character and of environment in producing certain social phenomena, and as to the relative weight to be attached to different factors that constitute the environment. From the point of view, however, of practical reform all the different parts of the question are interdependent, and remedial

measures should be applied concurrently to all, even though it be useful and necessary to isolate individual aspects for investigation. Thus isolated, too much stress can scarcely be laid on the extent and intensity of the degradation effected by casual and irregular conditions of work among labourers. It is the more necessary to emphasise this fact because little public attention has been directed to it. The case has not received full investigation, and in consequence sound measures of remedial legislation based on an analysis of the practical facts and difficulties have not been suggested. The reason for the neglect is perhaps not far The case of the sweated worker is in many respects not more miserable. The numbers are probably fewer. Yet again sweated labour is to a great extent only a secondary evil. Regularise the casual male worker and there would often be no need for the female to take sweated work. Yet the case of the sweated woman making match boxes in Bethnal Green or "stitching her life into cheap clothing" in Bristol or Leeds arrests the imagination and sympathy. The loafer does not. Let another case be taken. It is not the purpose of this chapter either to minimise or exaggerate the effects of industrial disease; but it is probable that the suffering due to industrial disease is only a tithe of that caused by casual labour. Disease, however, is more or less definite and comprehensible. Phosphorous necrosis may be almost extinct, yet the wrist drop of the white lead worker or of the potter engaged in a lead process lends itself to the imagination, the speech, or the article. And at the same time, if the disease is one which, like nystagmus, attaches, or is brought to attach, to an occupation in which the workmen form a strong and organised body, additional security is provided that the case should not be overlooked. With the casual the case is other. He may be a casual glost-placer in the

potteries, waiting to be hired by some one who has an extra oven full of china or earthenware to be drawn, or he may be a Manchester jobbing porter, a brassfounder's labourer in Birmingham, a dock labourer in Canning Town, Bermondsey, Liverpool, or Bristol. Or again he may be none of these, but exist merely as the husband of a wife, whether she be a "four loom weaver" at Preston or a shirt hand in a laundry in Notting Dale in Kensington. In no case is the casual picturesque. Still further, his evil is not positive, but negative: it is not the presence of illness, but the absence of regular work. That he is suspected, and very often justly suspected, of not wanting regular work still further alienates public sympathy. Yet, rightly understood, the lack of desire for regular employment is just as much a feature of the evil to be remedied as the inability to obtain it.

Of the extent to which casual labour obtains, some idea can be formed by even the hastiest glance at the census. The great majority of those entered as dock labourers, general labourers, or other undefined workers The same may be said of a considerable will be casuals. proportion of the group including warehousemen and porters, of bricklayers' labourers, of painters, and of some of the least skilled sections of the iron trades. Even so the full number of such workers is not recognised. Many men who are in fact casual labourers will designate themselves as workers in the chief local industry. The reasons for such action, especially if the occasion be an application for Poor Relief, are obvious. The fact in any case remains, and accounts for many of the carpenters in Bethnal Green, painters' labourers in Kensington, steel workers in Sheffield, and the like. In addition there is a small class of skilled workmen who are irregular. Bakers in some cases are such an instance; while one of the most striking is afforded by the "rush" compositors, when printing work in London is at its highest pressure during the legal and Parliamentary sessions.

It will thus be seen that there are two classes of casual workers-those in whose work there is some degree of skill, and those who are unskilled. The former group is small in numbers and comparatively unimportant. The main problem is how to deal with the latter. It must not, of course, be forgotten that classes which are here distinguished merge in real life into one another through an infinite series of gradations. There is some skill in any kind of work, be it dock labour, or paper sorting, or stone breaking. But it is equally true that a difference of degree ultimately becomes a difference in kind; and hence it is justifiable to speak of casual labour as chiefly unskilled. Similarly there is every degree of irregularity, from the carman who is engaged by the hour, or the outside porter, to the painter or bricklayer's labourer on the one hand, with whom the irregularity is more or less of a seasonal character, or the iron worker, or chargewheeler in a steel works on the other, whose labour is continuous for the time, but liable to come suddenly to an end on the termination of a large contract. Here again, however, the analysis of the case of the pure casual applies, mutatis mutandis, to other irregular workers. So also do any remedies that may be proposed. Hence it is right to treat of the casual.

A number of causes have co-operated to produce the present situation. First, to employ casual labour is the line of least resistance for an employer. To have a good body of skilled workmen and to keep them together even in times of depression may be obviously good policy, if it can be done economically. But what of the unskilled? Division of labour enables a proportion of the work to be done by workmen of a low degree of skill. Seasonal fluctuations, varying requirements of different

markets, and periodic alternations of trade depression and trade expansion make labour requisite at one time which is redundant at another. Keenness of competition demands that unnecessary costs, such as the keeping on of surplus hands, should be reduced to a minimum. The result is that, when work is slack, skilled hands are offered less skilled work and the unskilled labourers are discharged. Where, however, the bulk of the labour required is unskilled, and the amount of the work to be done fluctuates, it is much easier to pick the men required from a crowd hanging round the gate, to pay them by the day, the half day, or the hour, and not to run the risk of having to pay workmen for whom there is no work. Such a practice clearly involves harm to the community which may be greater than the benefits. Equally clearly, for any individual employer taking singly at any one moment, it is certainly the easiest and often the cheapest method, although certain instances exist to suggest that the extra quality of regular labour may be more than worth the extra risk. Secondly, from the labourer's point of view, there is considerable seductiveness in much of the casual work. The skill of the trained craftsman has been in many cases supplanted by the machine, as is happening to-day in the file-cutting industry; and, if the self-respect of the workman is not kept alive by some other means, such as membership of a Trade Union, his condition may easily be such that the repulsion to casual work is reduced to a minimum. The fact that he has a chance of casual work makes him less ready to put up with the rough words, deserved or undeserved, of a foreman. Again casual work gives a release from certain responsibilities, although it may be just those responsibilities that constitute the citizen. And yet once more the Docks are like the Bar, in that the expectation of reward is very much greater than the reality. Thirdly (to make the seduction more operative),

the facilities exist, philanthropic or commercial or mixed in character, for supplying lodging and food on the cheapest terms. To the superficial it seems both harsh and incredible to say that the common lodging house, if clean and decently conducted (as in London it has need to be if it wishes to preserve its existence), and even the Salvation Army shelter and Rowton House are a curse and not a blessing. But such is the fact. They may be a necessity so long as casual labour exists, just as "generous" administration may be unavoidable so long as the present Poor Law exists; but both play their part in producing a bad state of society. Nearly all keepers or "deputies" of such houses or shelters bear the same testimony, that for every man who is benefited by being able temporarily to live so cheaply, nine are ruined by the lack of responsibility, of effort, and of self-dependence which the system produces. Fourthly, the present system of boy labour is in many ways nothing else than a forcing house for producing the adult casual. But as reference will be made later to this subject, it merely needs mention here.

There is no need to dwell on the effects of casual labour, either per se or jointly with other demoralising influences, on the character and physique of the worker. Irresponsibility, incapacity, drunkenness, physical weakness, dirt and disease, all might be made the texts of a sermon, or written up in the half-penny Press without going beyond the facts. So might the effects on the wife, on the physical and mental development of the children, and on the whole of home life. Much more powerful in effect than any description, however, would be a few visits, with questions put as to the trade and circumstances of members of the family in districts such as Angel Meadow in Manchester, the quarter round Bevington Street in Liverpool, or almost any of the rows of small dwelling houses lying near the Thames from

Southwark to Deptford, or the Custom House to Canning Town. Nor is it necessary in London to frequent the Docks. Bangor Street, Kensington, Tabard Street, Southwark, or St. Margaret's Place, Bethnal Green will, with many others, be found equally illustrative. No less significant is the corroborative evidence of those persons who have most to do with this side of working class life. Deputies of common lodging houses, Sanitary Inspectors, and, most of all, Relieving Officers, agree in the effect attached by them to Casual Labour. It is indeed startling to find the same story in Penzance as in Poplar. The moment the stability of the countryside is exchanged for a town, which, whatever its size, offers opportunities for casual work, there at once it is the casual workers, even though their total earnings be higher than their neighbours', who fill the books of Relieving Officers and constitute the least responsible element of the population.

UNEMPLOYMENT AND UNDEREMPLOY-MENT.—The unemployed, we are told, are always with us. To some their presence is only the occasion for uttering the hackneyed and complacent half truth about the "unemployable." Such persons, as has been said above, forget that, even so far as their statements are true, these do not solve or shelve the problem, but merely indicate that the solution is to be found one stage further back. To some the phenomenon, as familiar as the rain, seems, like the rain, inevitable—an evil to be partially remedied, as best as may be, by relief works that serve the purpose of an umbrella in the storm. To others, the fiscal policy of the country obscures the whole horizon of the question. To the Socialist* unemployment is one among many reasons for "nationalising all instruments of production." Rather the problem is one

^{*} Unemployment: its Causes and its Cure, by H. Quelch, with a preface by the Countess of Warwick.

of those that need soberer analysis than they have yet undergone, except in one or two instances, and that admit not perhaps of cure, but at least of amelioration. Unemployment, or the complete absence of desired work, and underemployment, involving short time or irregular work, affect all classes of labour. Setting aside the effect for good or for evil of cur present fiscal system, the causes, or, more accurately speaking, the manifestations of employment (including in that term underemployment) fall into two main classes corresponding to permanent and fluctuating changes in industry respectively. In the first class there may be a permanent change in any given industry affecting those directly employed in it and other classes of the population dependent upon it. The trade, that is to say, may become either extinct or much reduced in amount. The cause of such a change may be foreign competition, fair or unfair. Thus the Spitalfields silk weaver is the last representative of the English home silk-weaving industry, and is himself becoming extinct. Or again it may be that the use of one article takes the place of another, as is the case with some kinds of textiles.

Agriculture, from this point of view, presents an instance in which both the causes just mentioned have co-operated. The competition of Trans-atlantic corn and the development of the demand for meat and milk have combined to bring about the laying down of arable land in the United Kingdom in pasture. Yet again, an industry may migrate from one part of the country to another, while labour, less mobile, may be unable, to the same degree, to follow it. Thus weaving, prominent in East Anglia in the times of the Flemings, migrated to the west of England when Lancashire and the West Riding were sparsely-peopled rural districts. The second migration produced the Black Country of to-day. The efficient cause of such a migration

may be the actual discovery of favourable conditions in the new situation, or may be the substitution for the hand labour practised in the old locality of machinery for which the new is better fitted. It may, however, quite well be that the introduction of machinery has the same effect even though the local seat of the industry remains the same and the industry continues in existence in a changed form. New hands may be required for the machine to which the handicraftsman, if old, is not adaptable. Such is the old maker of hand-sewn boots yielding before the recent machinery, or the hand writer, who extended legal documents before the typewriter usurped his function. Indeed, such instances are

constantly occurring.

Apart, however, from the application of fiscal treatment to unfair competition, it is clear that such dislocations are a case rather for ex post facto help to the individual sufferers than for preventive measures of a general nature. With employment of the second class, due to trade fluctuations, it is otherwise. again, however, it is necessary to analyse the different kinds of fluctuations. Worse than leaving an evil alone is to recognise the evil and, undiagnosed, apply to it the nearest remedy that sentimentality suggests. A particular industry is liable to acute fluctuations without greatly affecting the rest of the country. Of such, the history of the cycle trade furnishes an example, which seems hardly to have deterred the motor-car industry More important, as from following a similar course. more widespread, are local dislocations, where a trade may be busy in one part of the country and slack in another, or seasonal variations which affect many trades, but some, such as the outdoor building trade, in a peculiar degree. Lastly, the periodicity of trade in general is becoming more and more clearly recognised. The fat and the lean years succeed one another at more

or less regular intervals. The depressions of 1879, 1886, 1893-4, 1904-5, have been succeeded by the trade booms of 1882-3, 1890, 1898-1900 and 1906-7. It is, in fact, possible that the fluctuations may in course of time be more or less liable to accurate anticipation and discount, and be thus in large measure prevented.

As between skilled and unskilled workmen it will depend on the circumstances of each case on whom the brunt will fall. Where machinery supplants a handi-craft, no question, of course, arises. Where migration of an industry occurs, it may be that the unskilled will get work more easily on the spot, while the skilled may be rather more easily able to follow their work to another place. Where the case is one of a temporary or local fluctuation rather than a permanent change, the tendency must be remembered for the skilled employés to be kept together if possible; also the fact that the skilled workman, such as a London compositor, drawing a high wage while at work, is much more capable of providing for a period of idleness, whether through the unemployed benefit of his Trade Union, or otherwise. The discovery, therefore, of means for minimising unemployment will be beneficial to the skilled, but vet more essential for the unskilled.

The causes of the various fluctuations in the demand for labour, enumerated above, differ in the various cases. Seasonal variations are, of course, often due to the weather at certain times not permitting of the execution of the work. Exterior painting is impossible in a July sun, bricklaying in a January frost. Or the season may determine the demand for labour. In the book trade there are two chief and two secondary seasons. In the iron trade a manufacturer may all the summer be manufacturing for the Canadian market; in the winter for the Argentine, the East Indies, or (until their protective tariff becomes effective) for Japan. Where the

seasons are well defined the unskilled worker will change from one occupation to another. The labourer in the summer at country brick works who migrates at the time of London fogs to the gas works of the Gas Light and Coke Company is the favourite of all enquirers. Indeed, a great deal of seasonal transference of this kind does take place. Much of it is not well known, and in any case it is probably not nearly so highly developed as might be the case. Of periodic fluctuations the explanation is given at length in most economic treatises, and is closely connected with the credit system. period of expansion, the extension of one industry increases the demand in others. The increase in the supply in these branches again reacts, and thus, aided by the general buoyancy and facilitated by credit, the boom proceeds, the building trade following a little in the wake of the others. Once, however, an overstrain takes place, the contrary movement sets it. A failure and contraction in one trade causes contraction in others, and depression follows until the bedrock is reached and the discounting of the future causes a firmer tendency in the markets. Local dislocations are the cause of unemployment, for which, perhaps, there is the least excuse. Not only may an employer in one place be looking for hands while an employé in the same trade may be looking for work in another, but the same may be true of unskilled workmen in different trades in the same place. Nay more, there may be a permanent surplus of labour, owing to the chaotic condition of the same trade in one place. Such is the case par excellence with Dock labour. fluctuations in the amount of work to be given might conceivably be lessened. But, putting this point aside, a quite unnecessary amount of hardship is inflicted by the unorganised method of engagement. In Liverpool, in many of the London wharves and elsewhere, each foreman takes on his own labourers independently, and he

will prefer to have enough men hanging round his stand to satisfy a rush of work. In each stand or wharf, however, the amount of work may vary enormously from day to day, involving a large amount of unemployment on slack days. Some of the men, it is true, may get a job elsewhere. At the word that a ship is expected at some wharf they may be seen tumbling up from their common lodging house in Bermondsey or Stepney. But it is an acknowledged fact that, taking a great port like London or Liverpool as a whole, the variation in the amount of employment offering from day to day is infinitely less than it is at each separate place of engagement. The step taken by the London and India Dock Company in instituting a permanent staff to perform part of their labour is due to a recognition of this fact, and their action forms a principle capable of much greater extension and perfection.

Of the remedial measures that have been proposed, a system of insurance against unemployment is advocated by some. What such a system would involve would depend on the nature of the proposals when reduced to a definite shape. Such, however, has not yet been done in this country, and it is difficult to see how it could be done without more definite data than at present exist. In Germany, with fuller information on which to base conditions, such a system has been under consideration, but it is not yet published. A less attractive, but, at least as a preliminary measure, a more practical and less venturesome proposal is the establishment of a national system of labour bureaux, or labour registries. At present twenty-five such local registries and one central exchange are in existence in London under the London Central Unemployed Body. While it is evident that the existence of such bodies cannot directly create a demand for labour, they can aid in abolishing local dislocations; they can decasualise much of the unskilled labour which

is now casual and enable the work now performed by a large number of half-employed men to be done by much fewer fully-employed workmen. The result will be the prevention of much hardship to the men and an economy in Poor Law and charitable relief. It is, of course, obvious that the least competent of the unskilled workers existing at the time of the adoption of such measures will lose what work they previously were able to obtain by the same process that gives that work to the more com-For such cases relief would be necessary; but the need for such relief would in the nature of things only be temporary, while the benefit secured would be permanent. As regards the skilled trades, their need is in any case not so great. The balance of advantage, however, would be real. It may be urged that, in the case of some small firms engaged in a seasonal business, such as, for example, the electro-plate trade, the employer may, in the slack season, dismiss a skilled workman whom he would have retained under the old state of affairs, because be would be able to rely on finding another skilled workman from the labour bureau when the busy period is approaching. It is possible that such instances may occur; but for such cases the great advantage of enabling a workman in one town to know the state of the labour market in another would much more than compensate.

Three further points deserve notice in connection with such labour registries. It may be necessary to make recourse to them compulsory, except where the conditions under which employment is offered satisfy certain minimum requirements. Or in certain industries it may instead be practicable to insist on a minimum period of engagement. Such an obligation in many cases would be obviously impossible. But in the case of dock labour in centres such as the ports of London and Liverpool it would probably be the best course. It would be practicable, involving a registry as a necessary corollary for

carrying out the requirement; and it would also tend to regularise labour on Mondays, an object which is both desirable and which has been found perfectly feasible by the few shipping companies by whom weekly labour is at present employed. Secondly, the institution of such registries would provide a body of information useful alike for analysing the nature, extent, and periodicity of industrial depressions and for indicating the industries in which training for the young would promise the best results. Lastly, the regularisation of employment would tend to make for greater permanence and continuity in the general body of demand for commodities, and to such an extent help to prevent the acuteness as well as remedying the effects of periodical recurrences of

trade depression.

BOY LABOUR, APPRENTICESHIP, AND EDUCATION.—The doctrine of apprenticeship is a favourite theme for stereotyped lamentations. The system has been praised by workpeople whose own sons were, however unfitted to be bound, and by employers who have simultaneously explained that, unfortunately, it was inapplicable to their own business while eminently suitable for that of others. But the fact remains that, so far as most industries are concerned, apprenticeship is dead, and no efforts will suffice to galvanise it into life. If such is the case, it may be asked, What is the good of a "skilled employment Committee "? The answer probably is that, in truth, where a protégé of such a committee is secured a situation, it is in many cases not skilled employment, nor is there necessarily any displacement from a skilled employment of any other boy or girl who would otherwise have obtained it, but in so far as the most fitting applicant is supplied for the work and also some sort of observation is subsequently kept upon the young person, the result is all for good. Although, however, it may be said that apprenticeship, as a general system, is

dead, learners in many trades do undoubtedly exist. Any one who inspects a china factory will see small girls learning how to paint china. and "on fourpennies," "on threepennies," twopennies," and at all other varieties of fractional In the floor below lads may be fashioning rudimentary cups or saucers and other articles. The same is true of other trades. Even so, however, there is little apprenticeship proper. More often the boys "knock about" the works and pick up the trade in a more or less formless and inadequate manner. The reason for the change is sometimes given that the employer cannot depend on the boy staying with him as soon as he begins to earn his money, and the following him up is not worth the expense or trouble.* Sometimes it is that the nature of the works does not allow of apprentices, or that the employer cannot, or will not, teach an apprentice if he has one. But a more extended inquiry into the reasons would be beneficial.

Where a skilled trade is learned, the earnings of the boy are at first very small, sometimes not exceeding 4s., sometimes not 2s., a week. It is thus that the harm is wrought. As an errand boy, as a vanguard or "nipper," to rin some other similar unskilled work, the immediate wage is much higher, reaching in London 7s. or 8s. per week. There is thus a very strong inducement to poor parents, on whom the expenses of the household tell very heavily at the time when the family is young, \$ to send the boy where he can at once earn "the biggest

^{*} Some skilled employment committees raise the preliminary fee of the would-be apprentice from charitable sources. This fee is forfeitable, and in this manner one of the obstacles to apprentice-ship in certain trades may be removed.

[†] The boy who rides behind the carter, minds the parcels, and holds the horses when necessary. The word "vanguard" is the London, "nipper" the Manchester, term.

[§] See Poverty: A Study of Town Life, by Rowntree.

shilling." The following is merely one instance among many, and was narrated by the employer in question:—

X was a builder in a London borough. A boy of 14 came to him of his own accord asking to be taken on in the carpenters' shop. X said he would take him if his parents consented, and offered him as wages 4s. per week for the first six months (which was more than his work would be worth), rising by 2s. per week each subsequent six months. The parents did not let him come.

In contrast with the foregoing is another instance

quoted by the same employer.

Y was a goods porter on the —— Railway, earning 22s. per week. Knowing he was never likely to rise much above his existing position, he applied to X to be taken on as a carpenter. X agreed, but told him he would have to start like other beginners at 10s. per week. He did so, and is now a skilled carpenter, getting 35s. to 40s. per week.

From such similar contrasted examples the effects of boy labour of the errand boy type are clear. In itself it does not lead to any subsequent trade. The vanguard does not necessarily, or generally, even become the carter. Again, the type of life led by the errand boy or vanguard, not to mention the paper-seller or street-hawker of one kind or another, does not exercise a good influence on the character. His whole life is taken up with the petty excitements of the street. A regular industrial habit is not acquired. Yet the present state of industry is one in which much of the old handicraft skill, the acquisition of which was palpably advantageous, is passing away, and a habit of regular industry is therefore all the more necessary. The other surrounding associations of such a life, at a very formative age, are also not beneficial; and, when such a lad grows up to be himself a casual labourer, the whole vicious circle tends to repeat itself. Indeed, in some cases it would appear that the best chance a lad of ordinary or normal strength of character can have of obtaining a good industrial position is if his parents come down to the very bottom of the scale. Better his opportunity as an inmate of a Poor Law school than as the son of a casual, living in so-called independence outside the workhouse.

In which direction lies a solution of the problem, if any? The answer to such a question depends on another question, "What do you expect or wish the lads to become?" "Skilled workmen," the ready reply, is not, upon analysis, such a simple solution as it appears. there employment for an indefinite addition to the ranks of the skilled workmen? The answer probably is that, with each new economy in production increasing the spending power of the community, new demands are created and more skilled work required to satisfy them. More popular actresses at music-halls, more mechanics manufacturing motor-cars, are the result of increased or new demands. But at the same time, in what trades are the learners to be taught? A considerable number of recruits will no doubt be always needed for certain of the great trades, but this still leaves a large margin unallotted. Some anticipation of the course of industry is therefore necessary, and one of the agencies through which it may perhaps best be obtained is that of Labour bureaux, in which the trade of applicants offering and situations offered will be collected. A very considerable difficulty also exists in the relation of Trade Unionism to such training colleges. Are all students in such institutions to be definitely Trade Unionist or not? The difficulty has occurred in London, in Sheffield, and probably in many large towns. A Progressive County Council in London has indeed had little difficulty in answering the question. Yet their answer may not be

the final word. On the other hand there is much force in the motive underlying the Trade Unionist contention. Since the position of members of Trade Unions in selfrespect and independence has only been won after a long struggle, it is equally necessary to recognise that in its turn it shall not be rashly jeopardised. When, however, the difficulty has been solved, it must be recognised that skilled work is not the only requisite. A large quantity of unskilled or little skilled labour will always be required. For such men, as also for their more skilled fellows, regular habits and a disciplined character are of the first importance. The present system does not give us these. Restraint up to the age of fourteen and a complete licence after that age is not a good preparation for life. Some training after fourteen is therefore necessary. This training must not render the boy labour impossible,* but must prevent the bad results. We thus arrive, from the point of view of the benefit of the children, at (1) an extension of the halftime system to male young persons, i.e., boys from 14 to 17 years of age inclusive; (2) an arrangement in the educational part of their day, in which drill, gymnastics, and general classes are as essential for a large proportion as is technical instruction. The only drawback to this ideal is its very doubtful practicability. Investigations, such as those of Mr. Rowntree, indicate the strain on the resources of poor parents during the early years of married life. Would it be right to reduce by one-half the help that could be afforded by the eldest children just as they arrive at the wage-earning period? Before marriage there is no doubt a period during which savings

^{*} Except, of course, in so far as it can be replaced from other sources. Thus, in some cases, it is arguable that an employment for the young person which does not lead to any definite kind of adult work is less injurious for girls, with whom marriage may in any case mean the cessation of direct wage earning, than for boys, in whose case a wage-earning existence should be continuous.

could be made. But is it feasible to expect them to be made? On the other hand, it may well be urged that could a start be made a healing process would be substituted for the vicious circle. Granted the commencement of such a system with the boy of to-day, he will be able, as the father of to-morrow, to allow a further extension in the case of his son of what benefited himself. The possibility of reform, therefore, depends on a practical judgment how far it is feasible as a whole or by instalments under the facts of the case and the limitations

imposed by our electoral system.

WOMEN'S WORK .- The position of women's work in modern industry is exceedingly difficult to analyse. Much of its importance is due to its connection with other social problems, while at the same time it possesses difficulties of its own. Women's work is important as affecting that of men, and is also bound up with the question of infant mortality and the proper rearing of the children in the community. But it also presents a problem of a most complicated kind in itself. With all these aspects it is impossible to deal, however cursorily, within the compass of a few paragraphs. On the connection of women's work with that of men, attention may be drawn to the works of Professor Smart* and Sidney Webb.† Otherwise the subject must be here omitted, with the one caveat that the superficial inference from the figures of the latest census is that the general encroachment of women's labour on that of men does not appear to be continuing. On the question of infant mortality, more extended enquiries are in progress and are projected. Pending the outcome of the investigation, attention may be drawn to the work of Dr. Newman on the subject.\ He there draws attention to

^{*} Studies in Economics, by Professor W. Smart.

[†] Problems of Modern Industry, by Sidney Webb.

[§] Infant Mortality, by George Newman, M.D.

certain facts which emerge from a consideration of the statistics, and which are significant, although it would be rash, at present, to base a definite conclusion on them. The high infant mortality, he notes, "follows with some measure of accuracy the chief coal-fields. It belongs to the mining and textile districts." Again, "Two features appear in common in high infant mortality districtsdensity of population and a considerable degree of manufacturing industry." How far the employment of women in factories and workshops contributes to this mortality cannot at present be ascertained with precision. Opinions differ, and though investigations are now being conducted by the local authorities in many manufacturing towns, enough have not yet been completed to afford a sufficient body of information. It is, however, a significant fact that the death rate among infants in the first month and in the first week of existence has risen in recent years. This indicates "an increased immaturity at birth," and this immaturity is responsible, with other concomitants, for a rate of mortality which is twice as high in the towns as in the country. It would be quite incorrect to say that all enployment in factories and workshops is likely to injure the expectant mother or the child. But it cannot be gainsaid that considerable risk is involved by much of the work done by women in our textile and metal factories, in dangerous trades and in industries necessitating heavy and laborious work. Regulation or prohibition of the work of young married women is not a matter to be undertaken without very careful consideration. Yet, with the experience of experts to guide the authorities on both the medical and the industrial side, it should be possible to make a beginning in the case of the more trying processes of manufacture, or at least in that of the dangerous trades.

Nor must it be forgotten that the same conditions that lead to the death of some infants cause others who

survive to be handicapped through after-life and to swell the ranks of the insane, the paupers, or at best the inefficients.*

There is a section of students of this subject who place poverty in the forefront of the causes of infant mortality. But the statistics of the Lancashire cotton famine appear to be an unanswerable argument against such a contention. As Dr. Newman points out, "the counties having the least pauperism—which, though not a satisfactory standard for estimating poverty, is an accepted standard—have the highest rates of infant mortality, namely the West Riding, Northumberland, and Lancashire."

So far, however, even as the work of women by themselves is concerned, it is exceedingly difficult to estimate the different causes which contribute to the present state of wages and give each their proper importance. One of the latest enquiries into the subject that has been published is that by Messrs. Cadbury, Matheson, and Shann into the women's wages and work in Birmingham. The various factors which produce the existing rates of wages are there considered in detail, though it should be noted that there is less in the argument against the supposition of the auxiliary character of a woman's wage than at first appears.† It seems, on the whole, to

^{*} See Dangerous Trades, c v., edited by Thomas Oliver, M D., and also Minutes of Evidence given before the Committee on Physical Deterioration, evidence of Miss Anderson, 1588-1612, and elsewhere.

[†] Women's Work and Wages (pp. 119-144), by Edward Cadbury, M. C. Matheson, and G. Shann. The flaws in the argument on p. 128 against the influence of their auxiliary character in affecting the rate of women's wages appear to be two:—

^{(1).} It is not only married women, but also daughters of a family who may be auxiliary wage earners.

^{(2).} Apart from (i) the fact that a married woman's average wage is 11s. against a general average of 10s. 6d. does not prove that the married woman's wage does not set the standard. It may be given for the better work, and so receive higher pay, but none the less is able to reduce the wages for the work of other women to levels slightly below itself.

be likely that the existence of a large proportion of women as supplementary earners is the chief factor in determining the general rate of female wages. But it must be admitted, also, that the rate thus obtaining in many of the large towns is not very different from the figure of a subsistence wage for an independent single woman on a low scale. That the wage of a considerable section—of whom out-workers form the most important part—falls below this rate is also a fact, and such instances are no doubt due to the disorganised competition for work among the most needy. It is likely that the existence of Poor Law or charitable relief is a factor that makes such a wage possible, though other variations are such as to make it improbable that the effect of such relief can be statistically measured. The causes that make the investigation into existing conditions difficult also operate in making it hard to determine the minimum standard to which women's work should be expected to attain. What is wholly inadequate for a widow with children may be a pittance, bare but just sufficing, for a single woman, an important contribution to the family budget by the daughter of an unskilled labourer, and ample as a pocketmoney wage for the more fortunate.

HOME WORK AND SWEATING.—While the whole question of women's work merits enquiry, that of the home worker is most pressing. What facts, however, are available go to show that both the information obtainable on the subject and the present state of the law with regard to it are inadequate. An employer in certain trades is bound to supply to the local authority, every six months, a list of persons to whom he gives out-work. The trades in which this return is required are scheduled by the Home Secretary, and all important trades in which home work is done are included. It will first be seen that these lists are not mutually exclusive. The same woman may take out work from several employers and so figure

in a number of different lists. Even so, the number of persons known from these returns is well under 100,000. On the other hand the Census of 1901 gives a total of over 447,000 persons working at home. It is true that the census returns cover a wider field than the employers' lists are supposed to do, but it is clear that there is an enormous discrepancy. For this neglect of duty on the part of employers the local authorities must be held chiefly responsible. Further, even where some official record of home work exists, the information is lamentably meagre. A staff of 164 Factory inspectors can hardly give full details of the 250,000 workshops which come under their notice. More than this, the inspector has no legal right of entry whatever into the overwhelming majority of homes in which work is carried on, although in practice entry is seldom, if ever, denied. Lastly, judicial decisions have excluded practically all home work from the operations of the Truck Acts on the ground that to give out a batch of work to be returned completed does not constitute a real contract of personal service.* There is, therefore, in reality, no effective control of home work. It is true that under the Factory Act of 1901 written particulars of the rates of piecework wages must be given to the workers in certain trades, but it is clear that in the existing state of the law little check is possible on employers, and still less on middlemen.

Various reasons have been adduced to explain the preference of employers for home work as against factory labour. The expense of the requirements of successive Factory Acts and also of Building By-laws, rent, the cost of providing light and similar accessories are all adduced as reasons why the employer should favour out-work, in which case such charges can be avoided. It will, how-

^{*} The result has been that in such trades there has been a cessation in the decrease of truck. In some instances it has increased.

ever, be noticed that, so far, the above preference assumes that other conditions are equal. And it is true for the most part, though by no means exclusively, that trades which form an important feature of home work are trades involving hand labour. As soon as power machinery can be introduced, efficient and well supervised labour in factories is generally the more profitable, even if paid at a higher rate. As soon, however, as a process is reached in which the work is still executed by hand, home work again may enter in. Thus the caps made in Leeds by the manufacturers of cheap clothing may leave the factory for the out-worker two or three times in the course of production. Where the case is changed from a trade of which the production is more or less constant for one which is seasonal, or which comes in rushes, the preference of a system of out-work is all the stronger in the case of those workers whose labour is only required during the busy time. Hitherto, however, it has been assumed that the rates of remuneration for workers within and without the factory are the same, so that where hand labour is the rule, home work may get the preference. only to yield to the factory system where machinery is introduced. Unhappily this assumption does not always fit the facts. In every community there must be a certain amount of wreckage, and our society presents us with broken specimens of humanity who have sunk so low as to be forced to take rougher work at lower rates, and sometimes to compete with machinery or starve. aged, the infirm, all, in fact, whom the factories reject, fly to the trades where a minimum of skill is required. Not only do they compete with machines, but with one another, with the result that in such occupations as carding hooks and eves wages have fallen. In so far as these miserable creatures prefer this life to life in the workhouse, it is natural to throw the blame on our Poor Law system. Those who wish to suppress home work altogether have this class of workers chiefly in view, and look to Poor Law reform as a remedy for the intolerable state of affairs they find. Their attitude is not unreasonable, but the cases they are considering, while appealing most to the sympathy and the imagination, are not typical of the majority of home workers.

What are the various classes of home workers, and what are the conditions? In the first place home work itself is a misleading term, as much work done at home does not belong to the class under investigation. Out-work is a more appropriate description. But it is too often forgotten that out-workers may be men as well as women, and out-work may be good as well as bad. The boot trade of Hackney or of Bristol, the clothing trade alike of Whitechapel and the West End (though not to the same degree), the nail and chain industries of the Midlands, are all instances of out-work among men. Again, the making of silk ties in Dalston, of embroidery, of infants' millinery, and, in some cases, of gloves, present instances in which women earn fair wages of 12s. a week or more, and are quite different in character to the cheap clothing trade in caps, trousers, or shirts, the manufacture of match boxes, now moribund, in Bethnal Green, fancy boxes in Hoxton, or the carding of hooks and eyes in Birmingham. What, then, is sweated labour? It is the labour of men or women forced by circumstances to accept a wage, often inadequate by itself to support life in full vigour, in return for a full and generally excessive expenditure of effort. The above definition avoids the too common mistake of looking solely to the rate of wages in applying the term "sweating." The nature of the employment really is determined, not by the rate of wages only, but by the whole nexus of conditions under which it is carried on. The rate of wages received by two persons may be the same, yet to the one they may be nett while the other

may be paying 1s. 6d. per week for her Singer's sewing machine—spending £ 10 by instalments on an instrument which can be purchased by a cash payment of £6. Or, the nett wages received by the factory hand and the outworker may be the same, yet the one may only be earned by longer hours, at rougher kinds of work done at higher pressure, with all the concomitants of a dirty home and hadly-cooked food due to her lack of time to attend to home duties. Of this side of the picture the Sweated Industries Exhibition gave no representation, thereby largely failing in effect. As seen in the Exhibition, the match box maker was engaged in a pleasant and light. employment. The same woman seen at home was a different picture. It is the whole set of circumstances, (each of which is, in reality, expressible in terms of the other) that constitutes the evil.

It is a combination of causes which determines why any such sweated industry exists. To begin with, the material must be cheap or rough. A bundle of silk, for ties, worth £6, cannot be risked in such surroundings. Again, the workers must have some reason which prevents them seeking for other work. It may be the age or infirmity of the worker, or, if a woman, because she is married and perhaps confronted by some sudden calamity, or, if he be a man, because he is accustomed to such work, and has not the opportunities of getting other.* Combined with the above would be the imminent need for some work, without the power to stand out or the ability to form and maintain a sufficiently strong combination.†

What, then, is the object at which reformers should

^{*} The Jew tailor, or other hand, may take such work on first arrival in order to learn the trade, hoping to rise subsequently to be a small master.

[†] Thus, although a Trade Union exists among boot operatives in Hackney, with a list of prices, few, even among the members of the Union, stand out for the actual payment of the listed prices but accept lower rates.

aim? Much might be said of the need of reform from the point of view of the community in respect of Public Health, since articles worked under such conditions may well be the means of conveying illness, such as tuberculosis, anthrax, or one of the zymotic diseases. It is, however, in the condition of the work-people engaged that reform is most needed. It is assumed by some that all out-work should, if possible, be abolished. But such an opinion ignores the fact that much home work is done under unexceptionable conditions, and for good rates of Also, that the possibility of such work for the half or three-quarters of their time may be an untold boon to many whose home circumstances do not admit of their going to a factory. Yet again there is a difference in character that affects the problem. A system of factory work suitable to the English may be wholly inapplicable to Ireland. The Irish out-worker is capable of work of high artistic quality, but could no more execute it under the routine of a factory than could the pictures in the Royal Academy be produced by Academicians working from 7 a.m. to 7 p.m. or 8 a.m. to 8 p.m., at easels set side by side like so many sewing machines, in a picture factory, with a regulation hour for meals and a proper supply of wash basins as required by the Act. In other words, where it is possible to secure proper conditions, home work should not be discouraged. Where it is not possible, let the regulations be such as to lead to factory work for those whose circumstances permit, and other forms of relief where they do not.

Of remedies proposed, one at least is not contentious. It can be, and in some cases is, being introduced,* and consists in the abolition of the middleman or middlewoman or her transformation into an

^{*} Such instances may be found in the clothing trade at Colchester, the tailoring trade at Bristol, and the glove making at Yeovil.

agent of the employer, paid at fixed rates. Hitherto the employer who gives out work has, like the dock foreman, taken the line of least resistance, and contracted with the middlewoman, who takes the work round to the home of the out-workers, making a profit which is in many cases excessive.* More sweeping reforms are the proposal to limit the hours of work allowed and to impose a licence. A licence, coupled with an amendment of the Factory Acts, would quite probably lead to the worst cases of sweating being discovered and brought to the notice of the public. Possibly, also, the trouble of getting a licence and the prospect of inspection would deter a certain number from continuing in the trade, thus diminishing competition, and perhaps bringing about a slight rise in wages.† But the conditions which would justify the refusal of a licence would necessarily be those of Public Health, and thus the remedy would not go to the root of the whole matter. Other drawbacks are also apparent. The system of licensing, openly intended by some to substitute factory for out-work, might drive some existing out-workers, not to the factory, but to less desirable occupations, such as hawking and the like. Again, the maintenance of a uniform standard, difficult enough in the case of ventilation with the existing body of inspectors, would be yet more difficult in the case of homes under a system of licensing such as is proposed. Lastly, the possibilities of evasion both in the case of licences and the limitation of hours seem insuperable. The employer cannot tell if the licence is owned by the person who presents it or

^{*} The middlewoman's profit in the Nottingham lace trade, for example, formerly amounted to between 25% and 50% of the value of the work done. Select Committee of the House of Commons on Home Work. Evidence of Miss Squire, p. 423.

[†] Evidence of Miss Coppock, p. 1840.

has been lent him as a neighbourly act by an acquaintance, while detection at home would involve an extension of inspection and an inquisitorial use by inspectors of their powers which would be intolerable.

The last remedy that has been proposed is that of a Wages Board, which should have the power to fix for a district the minimum rate of wages that should be paid in This minimum rate, it is contended, such a district. should be equal to that paid at present by the good employers of the locality. The difficulties of a system of Wages Boards are, no doubt, great. As to the probable results, critics and supporters alike appeal to colonial experience. Not only, however, has such experience not been in existence long enough to furnish inferences as to ultimate results, while conditions are by no means identical, but of the results already obtained no authentic information exists pending the report of the present Commissioner despatched by the Government to enquire into the subject. So far as the evidence goes that has been given before the present Select Committee of the House of Commons, the system commends itself to the majority of inspectors. Yet in this case, just as with the administration of the Public Health Department of a great municipality, caution must always be observed. The natural tendency of any officer whose work is of a specialised character is to base his approval or disapproval of proposals on the way in which they will affect the immediate work, and its problems, with which he has to deal. The ultimate effect of the introduction of a new principle either is not considered or is not allotted its proportionate importance. When, however, this discount has been made, the evidence given before the Committee, and especially that of Mr. Askwith, whose experience in such matters is unique, goes to show that the system is practicable. It would not involve more complicated adjustments than have already been successfully made in industrial disputes. The difficulties in respect of evasion are real,* but are not greater than those surmounted in other cases. Nor is the objection serious on the ground of expense.

Two elements, however, are involved in the proposal which are not always clearly recognised. First, though the minimum wage in any district may be only intended to be the scale paid by good employers, it must at bottom be fixed by reference to a standard, which in the case of men, at least, is the minimum necessary for subsistence according to existing ideas. This fact may be, and indeed always is, obscured by circumstances. in various localities may differ; though it must be noted that a difference in prices of commodities, and in rent, may result in the real wages being the same, though the nominal rates differ. Again, real rates may vary. Any element of skill in the work remunerated at once may create a difference, but where the work performed is the same, tradition, lack of knowledge of what happens elsewhere, and similar circumstances, may cause variations, especially as the existing ideas of what should be the minimum of subsistence, though roughly congruous, are never precisely analysed and co-ordinated throughout the country. Yet the more the subject is analysed the more clearly it will be seen that the principle of an existence minimum, even if not recognised, underlies the scale of pay, and the moment a conscious attempt is made to fix a rate, the implicit principle tends at once to become explicit. What, however, can be predicted with toler-

^{*} For the reasons on which these inferences are based see the evidence before the Select Committee, and especially that of Mr. Askwith. The possibilities of evasion are most strongly urged by Mrs. Ramsay Macdonald, who is otherwise predisposed against the measure as contrary to the Socialistic ideal of industrial organisation. But the reasons given for the likelihood of evasion are not convincing.

able accuracy in respect of a standard* of the men is less easy in the case of a woman. What the standard should be has not been fixed, but it probable represents a compromise between the living wage of a single woman and the rate at which an auxiliary worker will take employment. Secondly, if the object of a Wages Board is to stop sweating it must, in fixing rates, take into account the whole conditions of work. Granted that the rate is not to be excessive for work done in a factory; granted also that it is to be such for out-work that the home worker can make a livelihood without undue pressure or too long hours, and without reducing her nett wages below the fair livelihood by payments for light, for fire, for a machine, and the like, from which the factory worker is free; then it is clear that the rate of pay for out-work in certain cases definitely needs to be not only equal to but higher than that given in the factory. This conclusion. though at first sight startling, seems incontestable.

What, then, are likely to be the effects of a Wages Board? First, as between factory and out-work, where machinery exists the home worker will no longer be able to compete with it. Where machinery does not exist and where home work is fairly paid no effect will be produced. But in the sweated trades, if the new scale of pay has to recompense the out-worker for some of the difference in chargest which at present leads the employer to prefer out-work, the tendency will be towards an increase

The statement that the minimum wage for a man should allow of his supporting a wife and three or four young children is tolerably accurate. That even in regular employments in large towns the wages of such a man does in fact require to be supplemented is arguable; In sweated and casual labour the case is obvious.

[†] The difference in charges will not be wholly abolished, however. The charge for the rent of the factory and the cost of buildings will remain, and, even should additional requirements be imposed on dwelling-houses where out-work is done, the cost of these would not counterbalance the foregoing.

in factory, and a decrease in home, labour. But, secondly, as regards the community, will the price of the article so produced be increased, and if so, what should be done? It is, at least, possible that the increase in efficiency, or economies in process, e.g., the elimination of middlewomen, will prevent an increase in the cost of production.* But if such an increase should result, what are the alternatives? There seem to be four: to leave the present state of affairs unreformed; to schedule suitable trades as open for young persons at lower ratest; to adopt the Wages Board and face the increase, but, if undersold by foreign sweated labour, accept the cheaper article and let the home trade die out; to accept the increase in cost of production, impose a tariff, calculated as a countervailing duty, and be prepared to face the increase of prices to the consumer.

Such are the alternatives, and any one of them may be preferable in particular circumstances except the firstto leave affairs as they are. The great danger of the introduction of the system of Wages Boards, however, is the difficulty of preventing its extension to cases which do not present the conditions which in the present instance—that of a wage beneath the level necessary to a decent and vigorous existence-alone justify its intro-This danger must not be forgotten. fuller information must be awaited as to Colonial experience, which is promised by the present Government Commission of Enquiry. But, unless such information is too unfavourable, the introduction of a Wages Board with power to fix a minimum wage-such a wage to have reference to the minimum standard of decent subsistence -appears desirable, however much the necessity for it may be regretted. A. D. STEEL-MAITLAND.

Select Committee. Evidence of Mr. Askwith 4,282-4.
 Such an evolution is taking place de facto in the occupation of carding hooks and eyes in Birmingham at the present moment.

THE FINANCIAL RESULTS OF FREE TRADE

 $\mathbf{B}\mathbf{Y}$

SIR JOHN ROLLESTON



THE FINANCIAL RESULTS OF FREE TRADE

THAT Free Imports from foreign countries result in a scarcity and an irregularity of employment at home is the lesson which must have been impressed upon our working-classes by the events of the past few years. So long as the trade of the world is brisk or so long as there is an abnormal demand for the output of one of the manufacturing industries in which England participates, English Capital and English Labour get a fair share of the good things which are going. But, directly anything approaching slackness of trade sets in, English Labour immediately feels the pinch and English Capital is compelled to carry on its works upon terms which result either in a lessened profit or else in absolute loss. the fashion, as I am well aware, to lay the blame for this state of affairs upon the shoulders of the English capitalist. That unfortunate individual is exhorted on all sides to wake up and to throw his antiquated machinery on to the scrap-heap and generally to comport himself with the energy and the enterprise which ought to distinguish an Englishman struggling with adversity. This advice is excellent enough in itself; but it is only too frequently indulged in by Free Traders in the hope that the opprobrium which rightly ought to attach itself to our present fiscal system may wrongfully be cast upon our too heavily handicapped manufacturers. Yet those who are possessed of an intimate practical knowledge of commercial affairs are well aware that given only an equality of opportunity the English

capitalist and the English working-man are as capable to-day of holding their own in the keenest competition as ever they were in the days of our forefathers.

During the past years a very practical proof has been given of this fact by the Cunard Line wresting the blueribbon of the Atlantic from the North German Lloyd Company which, by the assistance of a lavish bounty paid by the German Government, was enabled to build and run a service of ocean-greyhounds of a type with which it was impossible for any ordinary unsubsidised lines to compete. Germany won and held the Atlantic record by means of a Government subsidy. Yet when the mercantile supremacy of the Atlantic temporarily passed from the English flag to that of Germany, pitiful jeremiads were poured forth upon our shipbuilding industry. We were told that the right hand of the English shipbuilder had forgotten its cunning and we were reminded with tiresome frequency by self-constituted economists, who had never seen the inside of a shipbuilding yard, that the thoroughness of the systematic Teuton had completely outdistanced the lackadaisical methods of the dilettante Englishman. England, in short, was told to sit down in sackcloth and ashes or else she was exhorted to arise and in a proper spirit of chastened humility to send her designers of ships and her builders of marine engines to finish their education in the shipyards of the Fatherland. The simple truth that English shipbuilders and shipowners had been asked to compete upon terms of impossible inequality with their foreign rivals was an idea which the Free Trade party pooh-poohed as unworthy of serious consideration. Yet when the late Conservative Government entered into an agreement with the Cunard Company to increase its annual subvention and otherwise to put it in a condition to meet its German rivals on something approaching an equality of advantages, how dramatic was the change

which forthwith took place in England's position as a shipbuilding country and how decisive was the victory of the English workman over his German rival. For it was by no mere happy accident of an English shipbuilding yard happening to turn out a chance boat of more than average merit that we recovered the Atlantic record from the North German Lloyd Company; but it was by means of two separate steamers both deliberately laid down for the purpose. They were built in two British yards, one on the Clyde and one on the Tyne, and both of these boats, respectively named the "Lusitania" and the "Mauretania," have proved themselves amply capable of wresting the supremacy of the Atlantic from our German rivals.

Surely this, our recent shipbuilding triumph, should spur us on to make further effort to emancipate our English industries from the unfair foreign competition which is slowly strangling them. Surely when our shipbuilders can thus give us practical proof that, granted only fair terms of competition, they can more than hold their own with the very best of their foreign rivals, we are justified in believing that what we have already proved to be true in the shipbuilding trade would prove to be equally true in other trades. As the Englishman has shown that, given only equality of opportunity, he is still the best shipbuilder in the world, who can fairly say that, given similar equality with his foreign rivals in other trades, he would not win back much, if not all, of that industrial supremacy which not so many years ago was indisputably his?

It will be observed that I do not hesitate to affirm that the English manufacturer is asked by our present Fiscal Policy to compete with the foreigner upon terms which are wholly unjust. In order to prove my point, I will take the most recently-created industry we possess—an industry which is so absolutely in its infancy that its machinery has not yet had time to grow obsolete

-and I will show that, in a case where it is impossible to accuse the Englishman of stubbornly clinging to antiquated methods, he is placed at the very outset at so hopeless a disadvantage with his foreign competitors that he cannot even hope to achieve financial success. The most youthful of our industries is the motor industry; and the motor industry is particularly suitable to my purpose because workmanship, that is to say labour, constitutes so large a relative proportion of the cost of a motor-car in comparison with the prime raw material of which the car is built. For example, it is stating the case quite fairly to say that a motor-car of which the selling price is £,600 is built out of some sixty pounds worth of raw material. With the exception of royalties payable to patent-holders, therefore, the whole of the difference between £,60 for material and £,600, the ultimate selling price, is to be divided between the Capital and the Labour which jointly produce a motor-car of this value. Or, after making every generous allowance for patentees' rights, there is the substantial sum of say £,400 to be carved up between Capital and Labour on the sale of every motor-car which is sold by its manufacturers for £,600, so we see that the working-man has a very substantial interest in the motor industry, which employs skilled and unskilled Labour at a decidedly liberal scale of wages. Let me now explain to the working-man precisely how our system of Free Trade is crippling the English motor industry. It is almost superfluous for me to mention that, under the foreign system of Protective Tariffs, no motor-car of English manufacture can be offered for sale in the great majority of Continental countries unless it has first paid an almost prohibitive Customs House duty: whereas motor-cars of foreign manufacture are admitted entirely free of duty to this country. Our Free Traders will no doubt congratulate us on the excellent opportunity we are thereby privileged

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to enjoy of buying motor-cars on the most advantageous terms.

But the working-man is more deeply interested in paying for his Sunday dinner than he is in his opportunities of buying motor-cars at cheap rates, and let us see how our system of Free Trade affects his weekly Now the successful manufacture of motor-cars is based upon standardisation. That is to say it is essential that a motor-car which is to achieve any popularity shall have its various parts made to a standard pattern, so that any part which is damaged or worn out may be replaced with the minimum of delay and expense to its owner. It will readily be understood therefore that standardisation and identity of manufacture constitute the key to the successful production of motor-cars; and it is this very point of standardisation which gives the foreign manufacturer such a grossly unfair advantage over his English competitor. Because the foreign manufacturer, who is assured of immunity from competition in his home market and who is well aware that any of his over-production he is at liberty to dump upon the English market, is never haunted by the fear of not finding a ready sale for his goods. Consequently he equips his works with the best labour-saving appliances which are obtainable, and, without the slightest misgivings as to his ability to recoup himself for his preliminary outlay, he spares no expense which will ultimately result in economical production.

Then, thanks to his superb equipment of machinetools, the foreign manufacturer proceeds to turn out motor-cars with a rapidity which in no long time suffices to supply his home market, where his cars are sold behind his protecting tariff wall at a more ample profit than the English manufacturer can ever hope to make either at home or abroad. Having temporarily glutted his home market, the foreign manufacturer then turns his attention to the English market, into which he pours his surplus production at lower prices than he has been prepared to accept behind his own tariff wall. Yet as the substantial profits which he has already made in his own protected market have paid off the preliminary expense of his installation of machinery, it is easy to see that with a £.600 article the raw material of which cost only £60 a manufacturer equipped with the best machinery, the cost of which has been paid, can afford to undersell the English manufacturer and vet make a very handsome profit for himself at a range of prices which precludes his English setting aside a sufficient Reserve Fund wherewith to write off the original cost of his machinery and to provide for the renewals and improvements which are essential to a manufacturer who is intelligently desirous of keeping abreast of trade developments.

This, it must be remembered, is no fancy picture hastily sketched for the purpose of illustrating a political argument, but is the melancholy story of England's latest industry. Neither am I seeking to establish a fact from the isolated example of one English motor-manufacturing concern whose disasters might have been due to mismanagement, to over-capitalisation, or to the hundred and one other infantile maladies to which Joint Stock Companies are susceptible. No, the story of England's manufacture of motor-cars is to be universally read in the balance-sheets set before shareholders by some thirty of our latest industrial companies. It matters not which Company's history is analysed, for all are practically identical; now that the first rush of buyers has been satisfied these Companies all show that pittance of profit or else that absolute loss upon sales to which I referred at the commencement of this article. They all now show a marked and continuous reduction in divisible profits at the end of each half-yearly period and

a rapid accumulation of unsold stock-in-trade left on manufacturers' hands. This diminution of profit has to be met either by the paring down of dividends, or, more ominous still of further disaster in the future, it results in utterly inadequate sums being set aside for machinery renewals and for the upkeep of plant.

This state of financial affairs in our motor industry I have already shown to be entirely due to the condition of our tariff laws, and vet we shall without doubt find our Free Trade friends, in the immediate future, endeavouring to cover up ther own fiscal follies by deploring the antiquated methods and machinery of our English manufacturers and sagely advising them to scrap their obsolete plant and to conform to the more modern methods of their continental rivals. Simultaneously with the publication of these excellent exhortations, it will doubtless be found that the manufacture of motors has been filched from us by our foreign rivals, with the result that millions of English capital will have been lost and thousands skilled English workmen will be driven out to recruit the ranks of the already formidable army of the unemployed.

It is possible that some Free Trader may reply that, after all, the motor industry cannot have suffered so very seriously from foreign competition, inasmuch as only a portion of the cars sold in Great Britain are of foreign manufacture. It is true that our own manufacturers still supply a large proportion of the cars used in this country; but my point is that, unless our home manufacturers, in a vain attempt at self-defence, had cut their prices down to an unremunerative level, they would have retained no share of the trade at all; it is the incursion of foreign-manufactured cars which regulates prices for all cars of English make. Did English manufacturers dare to attempt to keep prices up to a

level which would be remunerative to themselves, then the foreign manufacturer would immediately cut still further into this trade, which he has already injured when regarded as a means of profitably employing English Capital and Labour. Whilst, as to the argument that our present Fiscal System renders motor-cars so delightfully cheap in this country, it may fairly be asked who benefits by this artifically-created cheapness? Is it to the advantage of the working-man who is deprived of his employment by foreign competition, or is it beneficial to the small tradesman who supplies the necessities of the working-classes when his customers are lucky enough to get work to do? No, the people who benefit by these fiscal eccentricities of ours consist largely of our leisured and our wealthier classes, to whom the economical purchase of a motor-car makes but the very smallest difference when the sum they save thereby is compared with their average rate of annual expenditure.

It would be difficult, I think, to accurately apportion the cost of dressed, and even rough, granite as between raw material and labour, between some few pence per ton, the purchase money paid as royalty to the owner, and the cost of a ton of dressed stone. It would be fair to say that almost the whole cost is labour. There are many places in the United Kingdom in which granite quarries have been closed owing to slackness of demand. There are others where numbers of men have been discharged for the same cause. simultaneously many places where Norwegian granite is largely used in preference to the home product, the price being in favour of the buyer. A small duty would alter this, and it might be to the advantage of the consuming ratepayer to pay a trifle more for his stone if he were thereby saved somewhat from his own rather large contribution to the relief of workless people. I have no knowledge of what a golf boot or shoe

is, but I have heard that the best of their kind can be

purchased in London manufactured in Japan.

So far it has been my aim to show that Tariff Reform is pre-eminently a working-class question, because the custom of inundating our English market with foreign-made goods which is fostered by our system of Free Trade inevitably tends to throw the British workman out of employment. I will next proceed to endeavour to show that our system of Free Trade is bringing about the disaster to our working-classes by other and by less obvious means than by dumping down in our midst goods of foreign manufacture at low prices. For this purpose I will take the case of the most successful industrial Company in these islands, namely the Sewing Cotton Works of Messrs. J. and P. Coats, of Paisley.

On the score of its age, of the size of its Capital, and of the handsome sum which it annually amasses in the shape of Trading-Profit, J. and P. Coats, Limited, stands unrivalled amongst the joint-stock concerns of this country. Indeed many Scotch Free Traders are to be found who base their faith in our present Tariff System upon the fact there cannot be much the matter with the fiscal code under which L and P. Coats, of Paisley, who commenced business in a modest way so long ago as 1830, have now built up a business employing £,10,527,267 of Capital, which is valued by the Stock Exchange Market at £54,500,000 with Reserve Funds of £,4,400,000 and an annual profit for last year (to 30th June, 1907) of £3,056,125. These figures are prodigious, and the whole of the business and the manner in which it is conducted reflects the greatest credit upon the shrewd men who are at the head of this vast organisation. But instead of the success of J. and P. Coats, Limited, being an argument in favour of Free Trade, as an actual fact this wealthy corporation's history is an unanswerable argument in favour of Tariff Reform;

because long ago it became evident to the practical business men who are at the head of this gigantic concern that if their Company was to continue to prosper it was vitally essential that they should take active steps to counteract the baneful effects of our Free Trade system. Accordingly, finding their cottons excluded from foreign countries by impossibly high Tariff Walls, Messrs. J. and P. Coats solved the tariff question for themselves by building branch-works at Rhode Island in the United States and at three or four Continental towns besides. From the published accounts of the Company it is impossible even to guess at the number of foreign workmen in its employ. We must therefore content ourselves with the statement which the Chairman the Annual Meeting held on 5th December, 1907, to the effect that more than one-half of the Company's profits were made at their branch manufactories situated outside the United Kingdom.

Think of that, you working-men of England, and above all, you working-men who are at present out of employment! Here is England's most prosperous Company, which is managed by men of exceptional ability and experience, actually driven by our system of Free Trade into expending abroad many hundreds of thousands of pounds on building foreign works at which the weekly wages-roll would suffice to keep thousands of English working-class families in comfort and regular employment from year's end to year's end. This is your Free Trade, and these are the consequences. In the case of the firm of J. and P. Coats, it is idle to attempt to raise the parrot-cry of old-fashioned methods and of obsolete machinery as being the causes which led to their partial migration from England, because the Company itself is a monument to modern method and to intelligent management—a management so intelligent indeed that it was quick to grasp the folly of allowing its activities to

be curtailed by the shackles of Free Trade, in which the majority of our manufacturers are compelled to toil. Neither is the case of I. and P. Coats, Limited, an isolated one, for Messrs, Clayton and Shuttleworth, the eminent Lincoln firm of Engineers, have recently opened a branch manufactory in Austria, and Messrs. Thomas Firth and Sons, steel workers of Sheffield, have just raised additional capital for the extension of their works in the United States and in Russia, where English Capital employs foreign Labour, while the English working-man, as he drifts towards the inhospitable doors of the Workhouse, pauses on his way to make one of the shivering half-starved throng which forms the audience of the Socialist who preaches the vain gospel of work for all when Capital has been driven out of the country.

But I have shown that Capital is already being driven out of the country by Free Trade, and that is why the British working-man is even now constantly faced by a lack of employment. The weak point of Socialism as a remedy for the privations of our working-classes is that Capital is mobile, though Labour is not. Capital has given practical proof of its mobility by so quietly migrating that the movement has altogether escaped the attention of the great majority of our most observant economic writers and thinkers. I submit that this migration of Capital has been caused by Free Trade, and how enormously would this movement be accelerated were there any signs of a possibility of Socialism being the dominant future force in English politics. In the past English Capital and English Labour have fought each other obstinately, and they have learnt mutually to respect one another until no intelligent British workman really believes that prosperity would smile upon Labour in any Socialistic Utopia where Capital was denied its just recompense for the

works which it builds and for the intelligent control which it exercises. In prosperity and in adversity Capital and Labour must always eat out of the same dish. because our Free Trade system has reduced both Capital and Labour to a very beggarly repast, it is a vain dream to imagine that Socialism can provide a banquet for Labour by the simple expedient of starving Capital to death. At the present time English Capital and English Labour have both been put upon unpleasantly short commons and both are the victims of Free Trade. disastrous state of affairs will only come to an end when Capital and Labour stand shoulder to shoulder together and fight for Tariff Reform and for the exclusion of foreign manufactured goods, which only serve to drain our country of its wealth and to curtail the employment

of our workpeople.

I have already endeavoured to show that Free Trade is productive of the dumping of foreign goods upon our home market at prices which are killing our home industries, and also to explain how Free Trade is tending to drive manufacturing Capital out of the country; I will now enter into the details of a third baneful influence which our present Fiscal System exerts upon our working-classes. No one knows better than the working-man that even in the worst of bad times a skilled workman has a far better chance of earning a decent livelihood than an unskilled workman. It is therefore clearly to the interests of our working-classes that so far as is possible they should all be skilled workmen. I am well aware that the theoretical economists, who are thick-and-thin advocates of continuing our present Fiscal System, make light of the question of skilled labour. In an airy way these professors of Political Economy assure the skilled workmen of our engineering trade that, if the importation of foreign machinery is taking the bread out of their mouths, then they must adapt themselves to cir-

cumstances and seek some other means of livelihood. Their years of experience and the skill which they have acquired are to count for nothing, and our skilled workmen must deem themselves lucky to secure any job, even if it renders their past training valueless. This is the blessed gospel of "Adaptability" in which our working-classes are told they are so singularly lacking. When "Adaptability" is translated into plain English, it will be found to mean that the British working-man ought to learn to turn his hand with thankfulness to any odd job which the foreigner may leave for him. Now I admit that under our present system of Free Trade it is becoming daily more essential that our labouring-classes should become a sort of handy men-of-all-work rather than skilled workmen; because under our present trade conditions our foreign competitors are practically able to dictate to us what industries they will take from us and what industries they will allow us to pursue—at any rate at a profit.

For instance, we are gravely told that Germany is our very excellent friend and our most invaluable customer. The figures of our trade with Germany are duly paraded to show the truth of this statement. But, as a matter of fact, when our trade with Germany is analysed, it will be found that Germany is rapidly turning the British working-man into the hewer of wood and the drawer of water who does all kinds of rough work for the German Under this singularly one-sided skilled workmen. arrangement the British workman becomes the unskilled poorly-paid labourer; while the German is the well-paid highly-skilled workman. And our system of Free Trade deprives us of all power of negotiation in this matter. If British Labour declines to fetch and carry for the German skilled workman, then British Labour can starve—this is the lesson which the English workingman is beginning to learn; it is, of course, a painful lesson. But the figures of our trade with Germany prove

that the British working-man must be content either to sink to the position of man-of-all-work to Germany, or else he must pull himself together and strike a shrewd blow for Tariff Reform.

Germany does not buy our manufactures; therefore she does not provide work for our skilled workmen. What Germany does buy from us, however, is raw material such as coal, tin, china-clay. These raw materials, it must be remembered, are limited in quantity, and they are irreplaceable when they have once been consumed. Under the system of universal Free Trade, of which Richard Cobden dreamed, it was intended that each country should manufacture goods from its own raw material for its own use and for the use of the rest of the world. Under the present travesty of Free Trade, which we enjoy, Germany is denuding us of our irreplaceable materials and working them up into manufactured goods, and then deluging our home market with her manufacturers' surplus stocks. Of manufactured articles England sells to Germany one paltry million pounds worth in a year, and in return Germany pours eleven million pounds worth of her manufactures on to the English market. Under such conditions it can be no matter for surprise that the British working-man finds it increasingly hard to live and that the returns of English pauperism mount steadily higher.

I have now dealt fairly exhaustively with the financial results of Free Trade so far as they immediately affect the British working-man. In stating my case I have endeavoured as far as possible to avoid all vague theory, and I, as a man of business, have discussed the question with the working-man as the excellent man of business which I believe him to be. I have illustrated my meaning by taking industries and industrial Companies with which the working-man, or at any rate many of his mates, must be familiar in the course of their daily work. I

might have multiplied the examples which I have given, or I might have complicated my argument by attempting to explain to my readers the individual figures of individual Companies' balance-sheets. But to have done so would, in my opinion, have been only to complicate a plain statement with a mass of statistics. I have rather contented myself with laying simple businesslike facts before my readers in a simple businesslike manner.

And now, although I propose to discuss the Financial Results of Free Trade as far as they more nearly affect the interests of Capital, I wish to lay particular stress on the fact that this portion of my argument has an equal interest for Labour as it has for Capital; because in these days of enlightenment there is no necessity for me to elaborate the truth that a Fiscal Policy which hampers the profitable employment of English Capital in England must also curtail the opportunities of profitable employment for British Labour. I therefore shall aim at clothing this secondary part of my argument in such simplicity of language as will make it an intelligible appeal to the commonsense of the working-man rather than that it shall consist of a wild flight through the infinite vaguenesses of Political Economy.

Now, unless we are prepared to admit that England is no longer capable of finding employment for the natural increase of her population, it is clear that, as our population expands, the Capital which is to employ that increasing quantity of Labour must also expand. If, of course, we are content to sit down and to admit with meek resignation that there is no future before English Labour except emigration, then I am quite willing to agree that it may become, comparatively speaking, a matter of national indifference whether or not the Capital resources of this country exhibit the healthy growth which they would display under an equitable system of Fiscal Duties. But I, for

one, am firmly of opinion that our present-day English Labour and the growing children of the British workingman have as much right to look forward to spending their lives in comfort and prosperity in this their native country as it was the privilege of their forefathers to do. In all generations it has been the custom of some portion of our vigorous island population to seek new homes in distant climes, but that has merely been the healthy bloodletting which has been the outward sign of our sturdy national constitution; such emigration was purely voluntary and it differed very widely from the type of emigration which must ensue in no long time unless Tariff Reform intervenes to improve the lot of the working-man. For a strong man in the enterprise of his youth to try his fortune in a strange land where there is a greater chance for Labour to win its way into the ranks of landed proprietorship is one thing; but it is an entirely different matter when the grim necessity of approaching starvation compels a working-class population to uproot itself, regardless of age and sex, and to seek a distant domicile when its own inclination is to cling to its native land, in the habits and customs of which is has grown up. Yet the recent Dock Strike in Hamburg has seen our working-men driven from their native land by the impulse of hunger to seek a temporary livelihood as strike-breakers amongst a foreign and hostile population. That was merely an indication of the pass to which industrial England is rapidly coming owing to the fact that under our present system it is impossible for our Capital to expand with sufficient rapidity to provide adequate and remunerative work for our increasing population. Yet the Capital of this country cannot be expected to grow under a system of foreign competition so severe that, as I have already shown, it is impossible for our industrial Companies even to set aside out of profits sums of money sufficient to

provide for upkeep of plant and for machinery renewals. Neither can the amount of our Capital expand under a Fiscal System which compels the most go-ahead of our manufacturers to employ their Capital in branch-works abroad rather than be altogether elbowed out of their foreign trade. Now the trade of every country moves in cycles of activity, alternating with cycles of prosperity; and it is during the cycles of activity that Capital ought to develop a healthy growth, which should be followed by the extension of manufacturing premises and by the judicious outlay of Capital in new avenues of trade, which should make for increased employment for Labour. Beyond that, these cycles of trading activity should beget a greater spending power on the part of both Capital and Labour; and this increase in the circulation of what I may term the Petty Cash of the nation should bring a wave of prosperity rippling over the whole of the Retail Trade of the country. In short, a cycle of trading activity ought to result in a further accumulation of Capital, in a diminution of pauperism, and in a period of harvest for our shop-keeping classes, whether they minister to the luxuries of the rich or to the necessities of the poor.

Now for the past four years England has been enjoying one of these cycles of trading activity. The official figures of the Board of Trade and the trafficreturns of our Railway Companies both testify to this fact. Indeed, the supporters of Free Trade admit that this activity has taken place, and they gleefully point to it as a proof that Free Trade makes for national prosperity. Conveniently enough, however, they elect to confuse the widely different questions of trade activity and of trading prosperity. Yet these two things are by no means synonymous. For under a Fiscal System which encourages the dumping of foreign manufactured goods on to the English market, our manufacturers may very well be working without profit, our working-classes

may be woefully feeling the pinch of a general lack of employment, and our retail tradesmen may find themselves face to face with a plentiful dearth of customers. That is precisely what I shall show is the case in England at the present time.

There is every evidence that our manufacturers are not making profits to be found in the fact that it is the almost custom amongst Industrial Companies unduly to take credit in their balance-sheets for the intangible item of "Goodwill." Now in sound finance only actually realisable assets have any value for the purpose of a balance-sheet. It is, of course, true that when a private undertaking is converted into a joint-stock Company, the vendors of a highly-successful private concern are reasonably entitled to charge a substantial sum for the "Goodwill" which has been built up by lavish expenditure in advertising and by years of capable But this item of "Goodwill" is so management. intangible an asset and so fugitive in its character that every soundly-constituted Company should so order its finances that "Goodwill" is entirely written off as an asset during the first ten or twelve years of its existence. But in order to effect this elimination of "Goodwill" and also in order to set aside adequate sums for machinery renewals, etc., it is essential that our English Trading Companies should not be harassed to the extent which they are by the foreign competition to which they are subjected by our system of Free Trade.

Our Industrial Companies truly pay dividends in the majority of instances, but it is the exception and not the rule to find that the profits of an English Industrial Company are sufficiently large to enable it to provide for renewals of plant, for the elimination of "Goodwill," and also to furnish funds for the distribution of dividends. When by far the larger number of them are indulging in the method of paying dividends whilst they

neglect to make proper provision for writing off "Goodwill" and for the upkeep of Plant, it would be invidious to pillory a few individual concerns as awful warnings. Suffice it to say that, if any ten of our dividend-paying Industrial Companies are selected haphazard from any brokers' list of quotations or from any Stock Exchange Official List, it will be found that by far the greater number of the concerns comprised in this chance selection are inflating their assets either by unduly taking credit for "Goodwill" or by neglecting to provide for the renewal of plant. In other words, unrestricted foreign competition is steadily eating the heart out of the sound financial methods upon which the English trading community used at one time to pride itself. Clearly then, Capital has not materially benefited by the recent trade-boom upon which our Free Traders wish to congratulate us.

The assertion that the late trade-boom has failed to bring material prosperity to our working-classes requires but little proof. The ghastly record of the pauperism in our midst just at the conclusion of a period of abounding trade-activity is set forth in the Statistical Abstract for the United Kingdom, an official Government Publication, which shows that the proportion of paupers per 10,000 of the estimated population was 21.07 in 1900; 21.1 in 1901; 21.2 in 1902; 21.5 in 1903; 21.6 in 1904; 22.6 in 1905;

22.7 in 1906; and 22.3 in 1907.

These figures are eloquent enough in themselves, and when taken in conjunction with the spectacle of starving working-men drafted over to undertake blackleg labour in the docks of Hamburg, to which incident I have already referred, no doubt can remain in the mind of any well-wisher of the working-man that our present Fiscal System is only giving him his choice between pauperism and emigration.

When neither Capital nor Labour is doing well it

would be ridiculous to suppose that our retail tradesmen could prosper. It is true that the present year has witnessed an enormous incursion of travelling Americans, who have spent their money freely amongst the shop-keepers of the West End of London. There have also been visits from the German Emperor, the late King of Portugal, the King of Sweden, the King of Spain, and the Paris Municipality; all of which social-political events have led to spurts of activity in London's retail trade. But many of the manufacturers in England, whose wives and daughters are the mainstay of the shopkeeper, have been making little money, in spite of our flattering Board of Trade Manufacturing profits have been cut down by foreign competition; consequently our West End tradesmen have lacked the regular all-the-yearround support of their best customers; with the result that there have been more shop premises to be let in our leading West End thoroughfares than ever has been the case before within the memory of living men. Although it may appear to the retailer that his opportunities of purchasing cheap lines in foreign manufac-tured goods are blessings for which he has to thank our present Free Trade system; yet, in the end, he learns that cheap purchases of stock-in-trade do not bring prosperity to a retailer whose best and most regular customers are being hopelessly impoverished by the inundation of foreign goods on to the English market.

In addition to our manufacturers, our retail tradesmen, and our working-classes, there is yet another section of the community upon whom our one-sided system of Free Trade bears very hardly—I mean upon our investors. Now the investor who derives his or her income from a fund invested in Consols or in Corporation stocks, or in other similarly choice securities, would appear at first

sight to be removed far above the influence of unfair trading conditions. Yet our Fiscal System has been very directly responsible for the enormous shrinkage in capital value from which even the most cautious of investors have suffered of recent years. This shrinkage in capital value has been brought about in the following way: Owing to the deaths of stockholders and to the realisations of stocks which are entailed thereby, and owing to fresh capital creations, such as new loans on the part of the State and of Municipalities and the flotation of new Companies, there is a constant stream of securities, old and new, coming upon the Stock Exchange Market. In the case of a country enjoying a fair measure of prosperity, the wealth which it accumulates in a given period more than suffices to furnish the capital required for new issues by the State and by individuals and to absorb the stocks which are pressed for sale during that period. But, when a country has been dragged down by foreign trading competition to the point where it ceases to produce sufficient fresh capital seeking investment, then the stocks, which must inevitably come forward for realisation, are forced upon a reluctant market, which is only capable of digesting them with much difficulty and at a considerable concession in price. The downward movement of our finest investments, beginning with Consols, aflords another striking proof of the fact that, during recent years, this country, although it has been carrying on an active trade, has been carrying on that trade upon terms such as have rendered the nation incapable of creating adequate wealth for its inhabitants; with the deplorable result that our investment market has been altogether deprived of that financial support which is requisite to its well-being.

There are many interests involved in this question of open markets, all of which are worthy of careful and scientific consideration at the hands of professors of political economy, but after all self-preservation is nature's eternal law, and it will be finally settled in the marts of commerce and in the factories and workshops of the country rather than the lecture rooms of schools; and the factory on short time, the shut-down furnace, and the closed quarry will supply the arguments which will lead to its ultimate solution.

JOHN F. L. ROLLESTON.

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